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TOP-LEVEL INTERMINISTERIAL CHANGES ANNOUNCED

Dacca THE BANGLADESH TIMES in English 12 Apr 82 pp 1, 8

[Text] The Government on Sunday night announced a number of top level inter-ministerial changes and transfers involving 18 Secretaries and some other senior officials, according to an official handout.

On retirement of Mr Keramat Ali, Mr Mahbubuzzaman, Secretary, Ministry of Home Affairs, has been appointed Secretary, Cabinet Division, CNLA's Secretariat and Mr Khurshid Anwar, Secretary, Fisheries and Livestock Division, will take over as new Home Secretary.

Mr Salahuddin Ahmed, Secretary, Jute Division, replaces Mr A H F K Sadique as Secretary, Ministry of Defence, Mr Sadique has been appointed Secretary to the President.

In the changed setup Mr Khorshed Alam, Secretary, Ministry of Information and Broadcasting goes to the Ministry of Industries while Mr A B M Golam Mostafa, Secretary, Ministry of Industries comes to the Ministry of Information.

Details are as follows:

Mr A H F K Sadique, Secretary, Ministry of Defence, has been appointed Secretary to the President, President Secretariat (Public).

Mr Md Mahbubuzzaman, Secretary, Ministry of Home Affairs, has been appointed Secretary, Cabinet Division, CNLA Secretariat.

Mr S A S F Kabir, Director-General, Bureau of Anti-Corruption, has been appointed Secretary, Election Commission.

Mr Salahuddin Ahmed, Secretary, Jute Division, Ministry of Industries, has been appointed Secretary, Ministry of Defence.

Mr Mohd Khurshid Anwar, Secretary, Fisheries and Livestock Division, Ministry of Agriculture and Water Resources, has been appointed Secretary, Ministry of Home Affairs.

Mr A M Anisuzzaman, Secretary, Ministry of LGRD and Cooperatives, has been appointed Secretary, Agriculture, and Forest Division, Ministry of Agriculture.

Mr Mohammad Ali, Secretary, Civil Aviation Division, Ministry of Defence, has been appointed Secretary, Food Division Ministry of Food.

Mr A K M Kamaluddin Choudhury, Secretary, Ministry of Public Works and Urban Development, has been appointed Secretary, Ports, Shipping and IWT Division, Ministry of Communications.

Mr Shusain Ahmed, Secretary, Election Commission, has been appointed Secretary, Local Government Division, Ministry of Local Government.

Mr Hedayet Ahmed, Secretary Education Division, Ministry of Education, Religious Affairs, Sports and Culture, has been appointed Secretary, Petroleum and Mineral Resources Division, Ministry of Energy and Mineral Resources.

Mr Md Khorshed Alam, Secretary, Ministry of Information and Broadcasting, has been appointed Secretary, Industries Division, Ministry of Industries and Commerce.

Qazi Jalauddin Ahmed, Secretary, Law and Parliamentary Affairs Division, Ministry of Law, L A & L R, has been appointed Secretary, Education Division, Ministry of Education and Religious Affairs.

Mr A B M Ghulam Mostafa, Secretary, Industries Division, Ministry of Industries, has been appointed Secretary, Ministry of Information.

Mr Md Siddiquir Rahman, Secretary, Ministry of Youth Development, has been appointed Secretary, Health Division, Ministry of Health and Population Control.

Syed Amir Khasru, Secretary, Manpower Division, Ministry of Labour and Manpower, has been appointed Secretary, Labour and Manpower Division, Ministry of Labour and Manpower.

Mr S A Noor Mohammad, Secretary, General and Economic Division, President's Secretariat, has been appointed Secretary, Ministry of Social Welfare and Women Affairs.

Mr Md Shamsul Haque Chisty, Secretary, Ports, Shipping and IWT Division, Ministry of Transport and Communication, has been appointed Secretary, Jute Division, Ministry of Industries and Commerce.

Mr Fayezuddin Ahmed, Secretary, Establishment Division CMLA Secretariat, will continue to hold charges of the Post of Secretary, Establishment Division, CMLA Secretariat.

Brig (Retd.) M R Majumdar, Secretary Director General, Project Implementation Bureau Division, will continue to hold charges of the post of Secretary, Project Co-ordination and Monitoring Bureau, CMLA Secretariat.

Mr Humayun Rasheed Choudhury, Secretary, Ministry of Foreign Affairs, will continue to hold charges of the post of Secretary, Ministry of Foreign Affairs.

Mr Golam Kibria, Secretary, Finance Division, Ministry of Finance and Planning, will continue to hold charges of the post of Secretary, Finance Division (including budget and implementation), Ministry of Finance and Planning.

Mr A K Azizul Haq, Secretary, Internal Resources Division and Chairman, N B R, Ministry of Finance and Planning, will continue to hold charges of the post of Secretary, Internal Resources Division and Chairman, N B R, Ministry of Finance and Planning.

Mr Kazi Fazlur Rahman, Secretary, External Resources Division Ministry of Finance and Planning, will continue to hold charges of the post of Secretary External Resources Division, Ministry of Finance and Planning.

Dr A K M Ghulam Rabbani, Secretary, Statistical Division, Ministry of Finance and Planning, will continue to hold charges of the post of Secretary, Statistics Division, Ministry of Finance and Planning.

Mr Muhammad Mujibul Haq, Secretary, Railways Road, Highways and R T Division, Ministry of Transport and Communication, will continue to hold charges of the post of Secretary, Railways Roads and Road Transport Division, Ministry of Communication.

Mr Jansheruddin Ahmed, Secretary, L A & L R Division, Ministry of Law and L A & L R, will continue to hold charges of the post of Secretary, L A & L R Division, Ministry of Law and Land Reforms.

Mr M Matiur Rahman, Secretary Commerce and Tourism Division, Ministry of Commerce, will continue to hold charges of the post of Secretary Commerce Division Ministry of Industries and Commerce.

Mr M Keramat Ali, Secretary, Cabinet Division, who has retired is shortly being reassigned abroad

Notification in respect of Mr S A Khair Secretary, Power Division Ministry of Energy, and Mr A F M Ehsanul Kabir, Secretary Banking & Investment Division, Ministry of Finance and Planning, will be issued later on.

Dr A H Sharafuddin Additional Secretary, Education Division, Ministry of Education and Religious Affairs, has been appointed Additional Secretary-in-Charge, Science & Technology Division, CMLA Secretariat.

Mr S S M Lutful Haq, Secretary to Ex-Vice-President has been appointed Additional Secretary-in-Charge, Parliament Secretariat CMLA Secretariat.

Mir Mustafizur Rahman, Chairman, Water Development Board, has been appointed Additional Secretary-in-Charge, Civil Aviation and Tourism Division, Ministry of Defence.

Dr Mohammad Youssouf Ali, Additional Secretary, Fisheries and Livestock Division, Ministry of Agriculture & Water Resources, has been appointed Additional Secretary-in-Charge, Fisheries and Livestock Division Ministry of Agriculture.

Mr A H S Ataul Karim, Additional Secretary, Ministry of Foreign Affairs, has been appointed Additional Secretary-in-Charge, Irrigation, Water Development and Flood Control Division, Ministry of Agriculture.

Mr M A Rashid, Additional Secretary-in-Charge Implementation Division, Ministry of Finance has been appointed Additional Secretary-in-Charge, Posts, Telegraphs and Telephones Division, Ministry of Communications.

Mr Md Muniruzzaman, Additional Secretary, Irrigation, Water Development & Flood Control Division, Ministry of Agriculture & Water Resources, has been appointed Additional Secretary-in-Charge, Energy Division, Ministry of Energy and Mineral Resources.

Mr Manzur Morshed, Chairman, Bangladesh Jute Mills Corporation, has been appointed Additional Secretary-in-Charge, Sports & Culture Division, Ministry of Education and Religious Affairs.

Mr Muslehuddin Ahmed, Officer on Special Duty, Establishment Division, has been appointed Additional Secretary-in-Charge, Ministry of Works.

Mr Abdus Salam, Division Chief, Planning Commission, has been appointed Additional Secretary-in-Charge, Population Control Division, Ministry of Health and Population Control.

Mr Md Ayubur Rahman, Additional Secretary, General & Economic Division, President's Secretariat, has been appointed Additional Secretary in-Charge, Youth Development Division, Ministry of Labour and Manpower.

Mr Imamuddin Ahmed Chowdhury, Additional Secretary-in-Charge, Planning Division, Ministry of Finance and Planning, will continue to hold charges of the post of Additional Secretary-in-Charge, Planning Division, Ministry of Finance and Planning.

Mr Muhammad Abul Fazal Chowdhury, Additional Secretary-in-Charge, Religious Affairs Division, Ministry of Education, Religious Affairs, will continue to hold charges of the post of Additional Secretary in-Charge Religious Affairs Division including Waqf. Ministry of Education and Religious Affairs.

Mr. A. T. M. Shamsul Huq, Joint Secretary, Ministry of LG, RD & Cooperatives has been appointed Joint Secretary-in-Charge, Relief and Rehabilitation Division, Ministry of Food.

Dr. A.M. Abdur Rahim, Section Chief, Planning Division, has been appointed Joint Secretary-in-Charge, Rural Development and Cooperative Division, Ministry of Local Government.

Mr. Md. Nuruzzaman Choudhury, Joint Secretary in Charge, Law and Parliamentary Affairs Division, Ministry of Law, LA & LR, will continue to hold charges of the post of Joint Secretary-in-Charge, Law and Parliamentary Affairs Division, Ministry of Law and Land Reforms.

Mr. M. F. A. Siddiqui, Secretary, Relief and Rehabilitation Division, Ministry of Food Relief, has been appointed Chairman, Bangladesh Water Development Board.

Mr. A. K. M. Muslehuddin, Additional IG of Police (Special Branch), has been appointed Director-General, Bureau of Anti-Corruption.

CSO: 4220/7117

TEXT OF CHOWDHURY'S 29 MAR RADIO-TELEVISION SPEECH

Dacca THE BANGLADESH OBSERVER in English 30 Mar 82 pp 1, 12

[Text] President Mr. Justice Ahsanuddin Chowdhury said in Dacca on Monday the proclamation of Martial Law was the only way left to save the country from an anarchic state of affairs and fast worsening situation reports BSS.

In his first address to the nation over radio and TV the new President said the people did not falter to take "firm and correct decision" at this critical juncture and added "our dear Armed Forces responded to the call of the nation"

Nine crore people of the country he said were now "identified and united with the Armed Forces" to work for the progress and prosperity of the country and achieve the cherished goal of national independence.

Mr. Justice Chowdhury who was sworn-in as the ninth President Saturday last said corruption had to be weeded out from the society and referred to the firm determination expressed by the Chief Martial Law Administrator to wage a crusade against it.

He appealed to the people to extend all-out cooperation to the new Government in fulfilment of its commitment to the nation. "We shall build the nation as we had dreamt and for which our people made supreme sacrifices".

The President said: "I want to point out that if anyone is honest sincere and devoted there is no reason to be afraid of Martial Law But the Martial Law will strike hard at the corrupt and dishonest persons".

There he said was no dearth of our manpower and resources. We cannot afford to sit idle and aimless. We will have to face the crisis with courage and patience for a better future.

Following is the unofficial English rendering of the speech of President Mr. Justice Abul Fazal Mohammad Ahsanuddin Chowdhury delivered over radio and television network on Monday evening.

Bismillahir Rahmanir Rahim Dear Countrymen Assalamolai kum

At this critical juncture of the nation I have been given the responsibility of acting as the President. At the first instance I seek the divine blessings

and His infinite mercy and cooperation from you all so that I can discharge my duties properly and sincerely.

As in the life of individuals disaster and crisis befall in the life of the nation at that time the nation has to resolve with firmness and determination. In the life of Bangladeshi nationhood such moments came when people did not fail to take firm and correct decision. This expectation and resolution of the nation had been fulfilled by our patriotic Armed Forces who proclaimed Martial Law all over the country on March 24. There was no alternative to saving the country from total ruination. The way the country was run before the proclamation of Martial Law was a self-destructive and dangerous. Widespread and limitless corruption heinous move to serve personal interest favouritism indifference of responsible people of the country to overall welfare of the country and unimaginable deterioration of the law and order pushed the country towards destruction.

The whole nation at that time desired only one thing and that was an end to this suffocating and anarchic state. Our dear Armed Forces responded at this call of the nation. The nine crore people of Bangladesh are today identified and united with the Armed Forces. Meanwhile people from all walks of life have welcomed the proclamation of Martial Law and this wide response was the manifestation of this identification. Improvement of law and order and sense of peace and relief noticed in different walks of life in this short period was remarkably noticeable.

The country has to continue and happiness. Peace and tranquillity must be brought back in the lives of the countrymen. The nation should move towards progress and prosperity. And this has to be done through our united efforts. As you all know that it was stated in our holy Quran "Allah never helps changing the lot of any nation until it itself tries to change it".

We have to be totally dedicated to the overall change following the direction of the Quran and the blessings of Allah will rest upon us accordingly.

We need to work hard now. There is no alternative to making success in a noble task excepting hard work. Inshaallah we would attain success if we perform our duty honestly and with dedication and sincerity by keeping ourselves in our respective positions. Because I have firm belief that as a nation we are not inferior to anybody. We have become one of the nations in the world for our firm faith in Allah.

It was stated in the holy Quran, "You are the supreme devotees. You have been created for the welfare of the people to tell them the leadership of the Prophet and what is right and you must refrain yourselves from doing wrong".

Many a time in the past, different quarters had given the people the assurance that their problems would be solved but failed to fulfil their commitment or assurance. This does not mean that we did not have the requisite resources to meet the basic needs, like food shelter, education and health. But the main reason for failure was that those who had given such assurances lacked sincerity and engaged themselves in perpetrating self-interest, greed and corruption.

The Almighty Allah has given us untold resources which have never been properly utilised and distributed in the past. The present government will ensure this.

It is a binding responsibility of all of us to respect law of the country and if there is no respect for law, chaos and indiscipline will prevail in the country. I believe that the majority of the people of Bangladesh have complete faith in the rule of law and religion. That is why they are firmly resolved to restoring discipline and system in all spheres of national life at any cost.

Corruption will have to be uprooted from all spheres of the society and national life. The Chief Martial Law Administrator and Chief of Staff of the Army in an address the other day had called in unequivocal terms for waging a crusade against corruption. Let us all respond to his call and Free the country and society from the evils of corruption.

One of our responsibilities today is to put an end to all kinds of misuses and wastage in all spheres of individual and national lives. It does not suit us to rely on foreign aid and indulge in unabated luxury. It has been stated in the Holy Quran "In nal mabazzarina kanu ekhwanash shayatin" which means "those who indulge in wastage are the brothers of satan" in reality We will have to try to minimise expenditure in all spheres and practice austerity and constraints the economy has to be self-reliant if the country is to stand on its own feet. We must ensure full utilisation of the country's internal resources.

What we need today is unity and not division, discipline and not lawlessness dutifulness and not anarchy rays of hopes and not darkness of uncertainties and, above all complete faith in the Almighty Allah in all our initiative and work.

"Wa la tahinu wa la tahzinu wa antum alama in kuntum mumenin" meaning "you all give up laziness and be active and dutiful devote (yourself) to honest work and refrain from dishonest thinking and work, and have complete faith on Allah - your place shall be above every body."

I want to point out that if anyone is honest, sincere and devoted there is no reason to be afraid of Martial Law. But the martial law will hit hard the corrupt and dishonest persons.

Dear countrymen.

There is no dearth of our manpower and resources we do not lack patriotism and sincere will initiative and efforts to build the country. Therefore we cannot afford to sit idle and perplexed in the present crisis, rather keeping unswerving faith in the Almighty Allah We will have to face the crisis with courage and patience, taking inspirations from the national unity and nationalism. I firmly believe that the people of the country would not lag behind in making any sacrifice to consolidate the hard-earned independence and in order to establish real democracy in the country ensure economic emancipation of the people.

I hope you will extend all out cooperation in the full implementation of the commitments of this Government to free the country from corruption and its efforts to strengthen administration and create enthusiasm and jubilation by removing all kinds of frustration and anarchy from the national life. We shall build by our united efforts such a Bangladesh as we had dreamt of and for which the people of Bangladesh did not hesitate to make supreme sacrifices. Let all of us march for a bright future with renewed pledge imbued with the spirit of the great ideals of liberation struggle and war of independence.

'Khoda - Hafez

Bangladesh - Zindabad.

CSO: 4220/7094

TEXT OF CHOWDHURY'S 3 APR SPEECH TO ARMED FORCES

Dacca THE BANGLADESH OBSERVER in English 4 Apr 82 pp 1, 12

[Text] President Ahsanudding Chowdhury on Saturday expressed his firm conviction that the members of the Armed Forces would demonstrate great sense of patriotism which they had shown in the past at times of national crisis, reports BSS.

Addressing the officers of the Armed Forces at the Army Headquarters in Dacca the President said that the members of the Armed Forces should prepare themselves not only to resist foreign aggression and threat, but also to deal with any internal threat to the security of the country, and its people and the sovereignty and independence.

Chief Martial Law Administrator and Commander-in-Chief of the Armed Forces Lt Gen H.M. Ershad and senior officials of the Armed Forces were present on the occasion.

President Chowdhury said that at the time of national crisis and bad days of the country, our Armed Forces cannot sit idle. Because, he said we have to realise the truth that our Armed Forces are not isolated from the people and the country. Thwarting foreign aggression was not the only duty of our Armed Forces, said adding their duty also includes dealing with internal disturbances, anarchy and corruption.

He said that failure to check internal disturbances, infighting, anarchy and corruption paralyses the nation slowly and pushes it towards ruination.

President Chowdhury praised the members of the Armed Forces for their sense of discipline, regularity, devotion, duty and responsibility and said the people have total confidence and belief in these great moral virtues. He said that efforts should be continued for reflection of these great virtues in their works and deeds. Inshallah we shall be successful in our present effort as there is no scope of failure where the question of life and death of the nation is "connected".

Following is the English rendering of President Ahsanuddin Chowdhury's address to the senior officers of Armed Forces at the Army Headquarters on Saturday.

Bismillahir Rahmanir Rahim,

Chief Martial Law Administrator and Commander in Chief of Armed Forces and officers of the Armed Forces,

Assalamualaikum:

I am very happy to be here and that is why I thank you very much I congratulate you and express my sincere thanks for the timely great step you had taken in response to the call of the countrymen and the hard and ceaseless labour you are putting in to save the country and consolidate its independence and sovereignty.

At the time of national crisis and in the bad days of the country our Armed Forces can not sit idle because we have to realise the truth that our Armed Forces are not isolated from the people and the country.. Thwarting foreign aggression was not the only duty of our Armed Forces your duty also includes dealing with internal disturbances anarchy and corruption. Because failure to check internal disturbances in fighting anarchy and corruption paralyses a nation slowly and pushes it towards ruination That is why you will not have to prepare yourself only for resisting foreign aggression and threat but simultaneously you will have to face any internal threat to the security of the country and its people and sovereignty and independence. I have firm conviction that you will demonstrate the great sense of patriotism that you have shown in the past at times of national crisis.

The mercy and blessings of Allah the Almighty could give us the courage strength and ability to discharge our foremost duty of running the state affairs for the greater welfare of the nation and insurmounting the test we are facing now

Inshallah, we shall be successful at every step we undertake keeping undeviating confidence in the Almighty Allah and in his name as god fearing "Al Hubbul Watene' Minal Iman' means patriotism is part of faith.

The law is equally applicable to all. We have to keep in mind that Martial Law regulations and order are being promulgated in the country for the welfare and improvement of the present condition of the people and the country.

The laws for the welfare of the people are good laws and all honest men have regards and respect for good laws In this regard, we have to keep in mind that we should not misuse or overuse power by any means so long as the onerous responsibility of running the state affairs rests on us.

We should always keep it in mind that our aim is to bring about welfare of the people and the country and for that we must continue the efforts to build a beautiful happy and prosperous Bangladesh for ourselves as well as for the future generations.

The members of the Bangladesh Armed Forces have been specially praised for their sense of discipline, regularity devotion duty and responsibility. The

people of the country have total confidence and belief in great moral virtues of our Armed Forces. Efforts should be continued for the reflection of these great virtues in their works and deeds. Inshaallah we shall be successful in our present effort as there is no scope of failure where the question of life and death of the nation is connected. Inshallah we shall be successful because our objectives are honest aims are great and thoughts are clean. Let us march forward unitedly towards the path of success.

Nasrum Minallahe We Fathun Qarib.

Khoda Hafez.

Bangladesh Zindabad.

CSO: 4220/7101

TEXT OF MARTIAL LAW DECLARATION NO 1 OF 26 MAR

Dacca THE BANGLADESH OBSERVER in English 28 Mar 82 pp 1, 12

[Text] A Martial Law declaration announced on Friday that a person unlawfully possessing firearms, ammunition and explosives would not be liable to any penalty if thoes are surrendered to police by April 2, reports BSS.

The Martial Law Declaration Number One made by the Chief Martial Law Administrator, Lt. Gen. H.M. Ershad also said that the same would equally apply to the owner or occupier of a place where any fire arms, ammunitoin or explosive is found.

The following is the text of the Declaration:

Martial Law Declaration No. 1.

"Notwithstanding any thing contained in Regulation 10 of the Martial Law Regulation 1982 (Martial Law Regulation No. One of 1982), the Chief Martial Law Administrator is pleased to declare that if any person possessing fire arms, ammunition or explosive without a bonafide licence deposit the same to nearest police station by 3rd. April 1982. He shall not be liable to any penalty described in that regulation.

This Declaration shall also equally apply to the owner or occupier of a place where any fire arms ammunition or explosive is found.'

Any one failing to avail of this opportunity will be punishable under M.L. Regulation No. 1 of 82 or possession of arm ammunition or explosive.

CSO: 4220/7089

TEXT OF MARTIAL LAW REGULATION NO 2 OF 5 APR

Dacca THE BANGLADESH OBSERVER in English 6 Apr 82 p 1

[Text] The Chief Martial Law Administrator and Commander-in-Chief, Bangladesh Armed Forces, Lt. Gen H. M. Ershad on Monday promulgated Martial Law Regulation No II, says an official handout, reports ENA.

Following is the text of the Regulation :

In pursuance of the Proclamation of the 24th March, 1982 and in exercise of all powers enabling me in that behalf, I Lieutenant General H. M. Ershad, ndc, psc, the Chief Martial Law Administrator and Commander-in-Chief Bangladesh Armed Forces, do hereby make the following Martial Law Regulations :

1. Penalty for unlawful possession of railway movable property:

Whoever is found, or is proved to have been, in possession of any railway movable property reasonably suspected of having been stolen or unlawfully obtained, whether before or after the commencement of Regulation, shall, unless he proves that the property came into his possession lawfully, be punishable with imprisonment for a term which may extend to seven years, or with fine, or with both.

2. Penalty for connivance at offences :

Any owner or occupier of land or building, or any agent of such owner or occupier incharge of the management of that land or building, who wilfully connives at an offence for unlawful possession of any railway property, shall be punishable with imprisonment for a term which may extend to five years, or with fine or with both

3. Forfeiture of property:

Any Martial Law court trying an offence punishable under this Regulation may order the forfeiture to Government of any property in respect of which the Court is satisfied that an offence under this Regulation has been committed and may also order the forfeiture of any receptacles, packages or coverings in which such property is contained and the animals, vehicles, or other conveyances used in carrying the property.

MARTIAL LAW ORDER NO 3 REPORTED, DACCA DIRECTIVES

Dacca THE BANGLADESH TIMES in English 4 Apr 82 pp 1, 12

[Text] The Chief Martial Law Administrator and Commander-in-Chief of Bangladesh Armed Forces, has issued Martial Law Order No. 3, says an official announcement.

Following is the text of the Order:

"All Ministries, Agencies, Paurashavas, Water and Sewerage Authority, Port Authorities, Local bodies and occupants of buildings and structures are hereby instructed to: a. maintain all works of utilities and necessities and shall always keep these in proper functioning and cleanliness; b. clear all unauthorised occupants within their respective jurisdictions; c. clear all roads, footpaths of any obstruction such as unauthorised occupation, parking or dumping of material; and to maintain such roads and foot paths in proper condition; d. whitewash and erase all writings, slogans and signs on the walls and buildings which are visible".

SZMLA'S Directives

BSS adds: The Sub-Zonal Martial Law Administrator, Dacca city on Saturday issued directives under Martial Law Order No. 3 for information of the members of the public on cleanliness, according to a PID handout.

The directives are: store the refuse and filth of houses at a place instead of throwing them here and there and deposit them to the nearest dustbins or in particular place from 7 p.m. to 6 a.m. Throwing of filths and refuse on the roads, footpaths, drains or sweepers passages is punishable under law.

Do not throw filths or urinate in the drains along the roads.

If required, remove the slabs on drains in front of respective, houses for cleaning.

Instal manhole or pit covers in the house premises by April 16.

Fill up the swamps inside house premises or facilitate the drainage of water.

It is illegal to keep house building materials such as bricks, sand, surki, wood, rod, etc. on the roads and footpaths.

Clear the water hyacinth under your own responsibility from ponds, and swamps and clear the jungles from places under individual ownership.

Remove the unauthorised shops from roads, footpaths and drains immediately. Sale of goods on the road is strictly prohibited.

Do not sell rotten and exposed eatables in hotels and restaurants. It is prohibited to slaughter livestock here and there excepting the marked slaughter houses of Municipal Corporation.

Do not set up hat or bazar at places other than those earmarked by the municipal corporation.

Keep the premises of houses, government and non-government offices, shops, hotels and restaurants and their adjacent places clean.

The directives should be implemented by April 5, Penal action will be taken under the Martial Law regulations for violation of the directives.

CSO: 4220/7103

FIRST THREE MARTIAL LAW ORDERS SUMMARIZED

Dacca THE BANGLADESH TIMES in English 28 Mar 82 pp 1, 12

[Text] Martial Law Order No. 3 issued on Saturday instructed all ministries, agencies and other establishments to maintain all works of utilities and necessities, reports RSS.

The Order issued by the CMIA's Secretariat said all ministries, agencies, paurashavas, water and sewerage authorities, local bodies and occupants of buildings and structures are hereby instructed to:

- (a) Maintain all works of utilities and necessities and shall always keep them in proper functioning and cleanliness.
- (b) Clear all unauthorised occupants within their respective jurisdictions.
- (c) Clear all roads, footpaths and maintain such roads and footpaths in proper condition.
- (d) Whitewash and erase all writings, slogans and signs on the walls and buildings alongside roads or which are visible from the roads.

Seminar, Foreign Tour

Meanwhile, Martial Law Order number one and two issued on Thursday from the CMIA's Secretariat related to banning of holding seminars and workshops and on government, semi-government and other officials' visits abroad.

The Order No. 1 says, "There shall be a complete ban on holding of seminars or workshops whatsoever organised by any government, semi-government, autonomous organisations and sector corporations without prior written permissions of the Chief Martial Law Administrator or an officer authorised by him."

The Martial Law Order No. 2 says: "No official of the government, semi-government, autonomous organisation or sector corporations shall be allowed to proceed abroad whether on government expenses or otherwise without prior permission obtained from the Chief Martial Law Administrator or an officer authorised by him."

MARTIAL LAW ORDER NO 6 NAMES SUBZONAL ADMINISTRATORS

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 1

[Text] The Chief Martial Law Administrator issued the following Martial Law Order No. 6 on Tuesday, says a PID handout.

In pursuance of the proclamation of the 24th March 1982 and in exercise of all powers enabling me in that behalf, I Lieutenant General Hussain Muhammad Ershad, Chief Martial Law Administrator and Commander-in-Chief Bangladesh Armed Forces do hereby appoint the following officers as Sub-Zonal Martial Law Administrator of the Sub-Zones shown against their names on the schedule below:

Zone 'A'

Name of the Sub Zones:

Sub Zone--1 Dacca Metropolitan City : BA-241 Colonel M. Rafiqul Islam, psc.

Sub Zone--2 Dacca District (less Dacca Metropolitan City): BA-279 Colonel Ahsanullah, psc.

Sub Zone--3 Zia International Airport Area and Tongi Pourashava : BD4453 Group Captain Altaf H. Chowdhury, psc.

Sub Zone--4 Mymensingh, Tangail and Jamalpur Districts: BA-234 Colonel Mohammad Anwar Hossain, BP, psc.

Zone 'B'

Sub Zone--5 Dinajpur and Rangpur District : BA-201 Brigadier Muhammad Ainuddis, BP, psc.

Sub Zone--6 Bogra District : BA-148 Brigadier M. Abdul Hafiz, psc.

Sub Zone--7 Pabna and Rajshahi District : BA--199 Brigadier Zahed Latif, psc.

Zone 'C'

Sub Zone--8 Sadar Sub-division of Chittagong district including Metropolitan City. BA-244 Colonel Mufizur Rahman Chowdhury.

Sub Zone--9 Chittagong Port Area and the adjoining Sea and Sandeep Island :
Commodore Fakhruddin, BN

Sub Zone--10 District of Chittagong Hill Tracts : BA-197 Brigadier Manzur
Rashid Khan.

Sub Zone-11 District of Bandarban and Sub-Divisions of Potia and Cox's Bazar
of Chittagong District : BA-231 Colonel Mohammad Abdus Salam, PSC.

Zone-'D'

Sub Zone-12 Comilla District : BA-207 Brigadier Mohammad Matiur Rahman, BP

Sub Zone-13 Noakhali district : BA-251 Colonel Mohammad Golam Rabbani, PSC.

Sub Zone--14 Sylhet District : BA-209 Brigadier Amin Ahmed Chowdhury, FB, PSC.

Zone 'E'

Sub Zone-15 Khulna, Barisal and Patuakhali District: BA-208 Brigadier Mohammad
Shu bid Ali Bhuivan, psc

Sub Zone-16 Jessore less BAF Base Matiur Rahman and Jessore Airport Area
Kushtia and Faridpur Districts: BA-196 Brigadier Abdullah Al Hussain, G

Sub Zone-17 Comprising areas BNS Titumir, BIWTC Jetty Khulna, Mohesharpasha
Jetty, Khulna and Chalna Port with its limit: P. No. 22 Captain Mohammad
Mafizur Rahman (C) BN

Sub Zone-18 Comprising area BAF Base Matiur Rahman and Jessore Airport:
BS4921 Group Captain Shamsul Alam BU. psc Base Commander, BAF Base Matiur
Rahman.

CSO: 4220/7097

MARTIAL LAW NO 8 TELLS ZONAL ADMINISTRATORS' DUTIES

Dacca THE BANGLADESH TIMES in English 7 Apr 82 p 1

[Text] The Chief Martial Law Administrator and Commander-in-Chief, Bangladesh Armed Forces has made the following Martial Law Order No. 8 on Tuesday, according to official announcement.

Function of Zonal Martial Law Administrators: A Zonal Martial Law Administrator

a. shall act as representative of the Chief Martial Law Administrator in his area and shall be responsible for all civil and military matters in his area of responsibility;

b. shall perform such other functions relating to the administration of Martial Law as may be assigned to him, from time to time, by the Chief Martial Law Administrator;

c. shall entertain any complaint or application that may be submitted to him by any person and may forward it to Chief Martial Law Administrator if it deserves his attention or send it to concerned agencies for taking appropriate action.

CSO: 4220/7109

MARTIAL LAW ORDER OF 26 MAR DISSOLVES JUBO COMPLEX

Dacca THE BANGLADESH TIMES in English 28 Mar 82 p 1

[Text] The Chief Martial Law Administrator in a Martial Law Order issued on Friday dissolved Jubo Complex and prohibited collection of toll, rent tola or cash money in any form by anyone in their name, an official handout said on Saturday, reports BSS.

The Martial Law Order Number 4 issued by the Chief Martial Law Administrator said any person contravening the provision shall be punishable with imprisonment of upto seven years, or with fine or both.

The Chief Martial Law Administrator issued then following Martial Law Order on Friday: "In pursuance of the provisions of paragraph K of the Proclamation of the 24th March, 1982, the Chief Martial Law Administrator is pleased to make the following order.

"The Jubo Complex constituted by the Government shall stand dissolved immediately and no person shall in the name of the said Jubo Complex, collect toll, rent, tola or any cash money or kind whatsoever. Any person contravening this provision shall be punishable with imprisonment which may extend to seven years or with fine, or with both."

CSC: 4220/7090

TEXT OF 11 APR AMENDMENT TO MARTIAL LAW PROCLAMATION

Dacca THE BANGLADESH TIMES in English 12 Apr 82 pp 1, 8

[Text.] The Chief Martial Law Administrator amended the Proclamation of March 24 through The Proclamation (First Amendment) Order, 1982 issued on Sunday night, according to an official handout.

Following is the text of the Order:

"The Proclamation (First Amendment) Order, 1982, Proclamation Order No. 1 of 1982.

Whereas it is expedient to amend the Proclamation of the 24th March, 1982, for the purposes hereinafter appearing;

Now, therefore, in pursuance of the said Proclamation and in exercise of all powers enabling him in that behalf, the Chief Martial Law Administrator is pleased to make the following Order:-

1. SHORT TITLE AND COMMENCEMENT. (1) This Order may be called the Proclamation (First Amendment) Order, 1982.

(2) The provisions of this Order shall be deemed to have taken effect on the 24th day of March, 1982, except the proviso to paragraph 10(1) of the schedule which shall come into force at once.

2. AMENDMENT OF THE PROCLAMATION. In the Proclamation to the 24th March, 1982,-

(a) in clause f, after the full stop at the end, the following sentence shall be added, namely:-

"Subject to this Proclamation and the Martial Law Regulations and Orders and other Orders made, from time to time, by the Chief Martial Law Administrator, the People's Republic of Bangladesh shall be governed in accordance with the provisions laid down in the Schedule to this Proclamation; and

(b) the following Schedule shall be added at the end, namely:-

Schedule

1. (1) The executive power of the Republic shall vest in the Chief Martial Law Administrator and shall be exercised by him either directly or through persons in the service of the Republic or persons authorised by him.
- (2) All executive actions of the Government shall be expressed to be taken in the name of the Chief Martial Law Administrator.
- (3) The Chief Martial Law Administrator may, by rules,-
 - (a) specify the manner in which orders and other instruments made and executed in his name shall be attested or authenticated;
 - (b) regulate the allocation and transaction of the business of the Governments.
- (4) The legislative powers of the Republic shall vest in the Chief Martial Law Administrator.
- (5) The Chief Martial Law Administrator may make and promulgate Ordinances on any matter in respect of which legislation is necessary, and any such Ordinance shall have the same force of law as an Act of Parliament had before this Proclamation.
- (6) The Chief Martial Law Administrator may make Regulations, Orders or rules on any matter in respect of which the President could make such laws before this Proclamation.
2. (1) The President of Bangladesh shall accredit ambassadors and envoys extraordinary to foreign powers and shall receive foreign ambassadors and envoys extraordinary accredited to him.
- (2) The President shall award honours or decorations made by the State.
- (3) The President shall have power to grant pardons, reprieves and respites, and to remit, suspend or commute any sentence passed by any court, tribunal or other authority, other than any Martial Law Tribunal or Court.
- (4) Unless the Chief Martial Law Administrator otherwise directs by order in writing, the President shall exercise such powers and perform such functions as are vested in or assigned to him by or under any law in respect of any appointment or terms and conditions of service of persons in the service of the Republic.
- (5) The President shall enjoy such privileges and immunities as were enjoyed by a President immediately before this Proclamation.
- (6) The President shall not exercise any power or perform any function without the advice and approval of the Chief Martial Law Administrator.
3. (1) The Chief Justice and other Judges of the Supreme Court shall be appointed by the Chief Martial Law Administrator from among Advocates of the Supreme Court or Judicial Officers.

(2P The Chief Martial Law Administrator may appoint Acting Chief Justice and Additional Judges or ad-hoc Judges to a Division of the Supreme Court, whenever necessary, for a specified period.

4. (1) The High Court Division of the Supreme Court shall have such jurisdiction as is or may be conferred on it by law.

(2) The Appellate Division of the Supreme Court shall have such jurisdiction as it had immediately before this Proclamation.

(3) In respect of issue and execution of processes, review of judgements or orders, making of rules, punishment for contempt of courts, superintendence and control over subordinate courts, transfer of cases and appointment of staff the Supreme Court or its Divisions shall have the same powers as it or they had immediately before this Proclamation.

(4) The law declared by the Appellate Division shall be binding on the High Court Division and the law declared by either Division shall be binding on all courts, other than Martial Law Tribunals or Courts or Administrative Tribunals.

(5) All authorities, executive and judicial, in the Republic, shall act in aid of the Supreme Court.

(6) The Supreme Court shall in addition to the public holidays declared by the Government, enjoy vacation for thirty days only in a year, and the date of commencement of such vacation shall be determined by it.

(7) The Supreme Court shall sit for judicial work from Mondays to Saturdays, and the actual time for its sittings shall be determined by it.

(8) In January every year the Supreme Court shall submit to the Chief Martial Law Administrator an annual statement showing the number of cases instituted or filed in, and disposed of by, each Division of the Court during the preceding year and the number of cases, specifying the years of their institution or filing, pending at the end of that year.

5. (1) The Chief Martial Law Administrator shall appoint the Attorney-General for Bangladesh on such terms and conditions as he may determine.

(2) The Attorney-General shall perform such duties as may be assigned to him by the Chief Martial Law Administrator and shall have the right of audience in all courts of Bangladesh.

6. (1) The Election Commission in existence immediately before this Proclamation shall continue to exist and shall perform such functions as may be conferred on it by the Chief Martial Law Administrator or by law.

(2) The Chief Election Commissioner and other Election Commissioners shall be appointed by the Chief Martial Law Administrator.

7. (1) The Office of Comptroller and Auditor-General of Bangladesh in existence immediately before this Proclamation shall continue to exist.

(2) The Comptroller and Auditor-General shall be appointed by the Chief Martial Law Administrator and shall perform such functions as were performed by the person holding that office immediately before this Proclamation or as are or may be conferred on him by the Chief Martial Law Administrator or by law.

8. (1) Appointments of persons in the service of the Republic and conditions of service of such persons shall be regulated by law.

(2) No consultation with the Supreme Court shall be necessary in respect of any matter relating to appointment of persons to offices, and control or discipline of persons employed, in the judicial service.

(3) All persons who, immediately before this Proclamation, were in the service of the Republic shall continue in that service on the same terms and conditions as were applicable to them immediately before this Proclamation:

Provided that any such person may be retired from service by the Chief Martial Law Administrator or his appointing authority at any time after he has completed twenty five years of service without assigning any reason.

9. (1) The Chairman and other members of a public service commission shall be appointed by the Chief Martial Law Administrator.

(2) A public service commission shall perform such functions as were performed by such commission immediately before this Proclamation or as may be conferred on it by the Chief Martial Law Administrator or by law.

10. (1) The remuneration, privileges and other terms and conditions of service of a person appointed to or holding or acting in any office mentioned in paragraphs 3, 6, 7 and 9 shall, until varied by the Chief Martial Law Administrator, be those appertaining to the person holding or, as the case may be, acting in the office in question immediately before this Proclamation:

Provided that the Chief Justice of Bangladesh, whether appointed before or after this Proclamation, shall, unless he sooner attains the age of sixty-two years, hold office for a term of three years and shall thereafter retire from his office and receive the pension to which he would have been entitled if he had retired from office on attaining the age of sixty-two years.

(2) A person who holds or has held any office mentioned in paragraphs 3, 6, 7, and 9 shall be subject to the same disabilities and disqualifications regarding appointment in the service of the Republic or holding of any office, post or position as were applicable to a person holding that office immediately before this Proclamation:

Provided that nothing in this paragraph shall apply to an appointment of any such person to the office of President.

(3) A person holding any office mentioned in paragraphs 3, 6, 7 and 9 may resign his office by writing under his hand addressed to the Chief Martial Law Administrator.

(4) A person holding any office mentioned in paragraphs 3, 6, 7 and 9 may be removed from office by the Chief Martial Law Administrator without assigning any reason.

11. All taxes and fees levied or imposed under any law in force immediately before this Proclamation shall continue to be levied or imposed until they are varied or abolished by law.

12. The Consolidated Fund and the Public Account of the Republic in existence immediately before this Proclamation shall continue to exist, and all matters relating to their operation, including payment of moneys into them or withdrawal of moneys therefrom, shall be regulated in the same manner as they were regulated immediately before this Proclamation.

13. (1) The Chief Martial Law Administrator shall cause a statement of the estimated receipts and expenditure of the Government, together with a separate schedule of expenditure, to be prepared in respect of each financial year and shall authenticate the statement and the schedule by his signature.

(2) No money shall be withdrawn from the Consolidated Fund except under the authority of the schedule of expenditure as authenticated by the Chief Martial Law Administrator..

14. The Government of Bangladesh may sue and be sued in the name of Bangladesh.

15. A person appointed to an office mentioned in paragraphs 3, 6, 7 and 9 shall, before entering upon such office, make and subscribe an oath or affirmation in such form and before such person as the Chief Martial Law Administrator may direct.

16. In all laws, except any law relating to appointments or terms and conditions of service of persons in the service of the Republic, any reference to the President shall be read as a reference to the Chief Martial Law Administrators."

H M ERSHAD, ndc, psc, LIEUTENANT GENERAL Chief Martial Law Administrator and Commander-in-Chief.

CSO: 4220/7117

SPECIAL MARTIAL LAW TRIBUNAL, COURTS ESTABLISHED

Dacca THE BANGLADESH TIMES in English 4 Apr 82 p 1

[Text] The Chief Martial Law Administrator and Commander-in-Chief of Bangladesh Armed Forces, has constituted a Special Martial Law Tribunal having jurisdiction all over Bangladesh, according to a PID handout in Dacca on Saturday, reports BSS.

The CMLA appointed the following persons to be the Chairman and members of the Tribunal.

Chairman: BA-144 Brigadier M. Mashahed Chowdhury.

Members: BN-42 Commander Mohammad Nurul Islam (S) BN; BD-4866 Wing Commander A.S.M. Mahbubur Rahman BAF; Mr Z.A. Shamsul Hoque, Chief Metropolitan Magistrate, Dacca; and Mr Md Habibullah, Additional District and Session Judge Khulna.

Special Martial Law Courts

The Chief Martial Law Administrator Lt Gen H.M. Ershad has constituted five Special Martial Law Courts having jurisdiction over all Bangladesh and appointed Chairmen and members of these courts. Notification Number 2 issued in Dacca on Saturday tonight by the CMLA Secretariat said, reports BSS.

The Notification Number 2 said: "In pursuance of the Proclamation of the 24th March, 1982 and in exercise of all powers enabling me in that behalf, I, Lieutenant General H.M. Ershad, ndc, psc, Chief Martial Law Administrator and Commander-in-Chief, Bangladesh Armed Forces do hereby constitute the following Special Martial Law Courts having jurisdiction all over Bangladesh and do appoint Chairmen and Members of the said Courts thereof as shown against their names in the schedule below".

Special Martial Law Court No. 1--Dacca: Chairman: BA-462 Lt Col Kazi Mahmud Hassan, psc, E. Bengal. Members: a. BSS-1232 Major Shamsul Hoque, Artillery, b. Mr Karat Ali, Magistrate First Class, Dacca.

Special Martial Law Court No. 2--Bogra: Chairman: BSS-613 Lt Col Muhammad Mohiuddin Ahmed, Signals. Members: a. BSS-1532 Major Moqbul Hussain, EME, b. Mr Md Rafiqul Islam, Magistrate First Class, Dinajpur.

Special Martial Law Court No. 3--Chittagong: Chairman: BSS-626 Lt Col Abdul Jabbar Laskar, Artillery. Members: a. BD/5182 Squadron Leader Mohammad Abdul Hasnat, BAF, b. Mr Md Abdur Rashid, Sub-Judge and Assistant Session Judge, Chittagong.

Special Martial Law Court No. 4--Comilla: Chairman: BSS-291 Lt Col Anwar Hussain Chowdhury, psc, Signals. Members: a. BSS-1204 Major Md Nurul Bashir, Artillery, b. Mr Shafiqur Rahman, Magistrate First Class, Comilla.

Special Martial Law Court No. 5--Jessore: Chairman: BA-310 Lt. Col. Shahabuddin Khan, Ordnance. Members: A BSS-781 Major Kirti Ranjan Chakma, Artillery, b. Mr Fazal Abdul Monsur, Magistrate First Class, Jessore.

CSO: 4220/7103

MARTIAL LAW NOTIFICATION NO 3 ON SUMMARY COURTS

Dacca THE BANGLADESH OBSERVER in English 5 Apr 82 pp 1, 8

[Text] The Chief Martial Law Administrator has constituted 23 Summary Martial Law Courts for different areas of the country, reports BSS.

According to a notification issued by the CMLA Secretariat in Dacca on Sunday night each court consisted of a Chairman and two Members.

The following is the text of the Martial Law Notification No. 3 issued by the CMLA Secretariat in Dacca on Sunday:- In pursuance of the proclamation of the 24th March 1982 and in exercise of all powers enabling me in that behalf, I, Lieutenant General H.M. Ershad, ndc, psc Chief Martial Law Administrator and Commander-in-Chief, Bangladesh Armed Forces, do hereby constitute Summary Martial Law Courts and do appoint persons to be the Chairmen and Members of the said Courts thereof, having jurisdiction over the areas shown against them in the Schedule below:

Zone 'A'

1. Summary Martial Law Court No. 1 Dacca Metropolitan City, Dacca Metropolitan City including Zia International Airport and Tongi Paurashava of Tongi PS Dacca, Chairman: BA-762 Major Ahsan Nazmul Amin E. Bengal Members: a BSS-1767 Captain Mohammad Iqbal, E. Bengal b BJO-27189 Subedar Mohammad Nazrul Islam, E. Bengal.
2. Summary Martial Law Court No 2 Dacca Entire Civil District of Dacca (Less Dacca Metropolitan City and Tongi Paurashava of Tongi PS Dacca) Chairman: BSS-562 Lieutenant Colonel Amirul Islam Engineers. Members: a. BSS-1592 Captain Md. Enayet Karim, Signals. b. BJO-5419 Subedar M Mustafizur Rahman, Artillery.
3. Summary Martial Law Court No 3 Mymensingh Entire Civil District of Mymensingh Chairman: BA-925 Major Muhammad Faizul Karim, E Bengal Members: a. BSS-1629 Captain Md. Mahboob Haider Khan E. Bengal b. BJO-26981 Subedar M.A. Qayyum Khan, E. Bengal.
4. Summary Martial Law Court No 4 Tangail. Entire Civil District of Tangail. Chairman : BEC-110045 Major Alauddin Ahmed, AMC Members : a. BSS-1240 Captain Hussain Ahmed Khan. E Bengal, b. BJO-26996 Subedar S. A. Basher, E. Bengal.

5. Summary Martial Law Court No. 5. Jamalpur Entire Civil District of Jamalpur Chairman : BSS-777 Major Abdus Samad. Artillery Members a. BSS-1773 Captain Wasim Ahmed Ashraf, Engineers. b. BJO-26943 Subedar Mohd. Abdul Aziz Khan E. Bengal

Zone 'B'

6. Summary Martial Law Court No 6 Dinajpur. Entire Civil District of Dinajpur Chairman : BA-1006 Major Mohammad Abul Bashar Artillery Members : a BSS-1675 Captain B K M Rehan, E. Bengal b. BJO-45382 Naib Subedar Abul Kalam Azad AEC.

7. Summary Martial Law Court No. y Bogra. Entire Civil District of Bogra Chairman : BSS-667 Lieutenant Colonel Syed Abdullah Hel Kafi Engineers. Members: a.3. BSS-1597 Captain Mohammad Bashir Anam, Ordnance. b. BJO--1843 Risaldar Azizul Islam, AC.

8. Summary Martial Law Court No. 8 Raishahi. Entire Civil District of Rajshahi Chairman:BA-989 Major Khan doker Lenin Kamal, Artillery Members : a. BSS-1029 Captain Syed Rafiqul Islam, BDR b. BJO-45351 Naib Subedar Md. Haider Ali, AEC

9. Summary Martial Law Court No. 9 Rangpur. Entire Civil District of Rangpur Chairman : BA-1253 Major Khandaker Monirul Islam, EME Members : a. BSS-1271 Captain Khairul Ahsan, ASC b. BJO-160077 Subedar Nazir Ahmed, Signals

10 Summary Martial Law Court No. 10 Pabna. Entire Civil District of Pabna Chairman: BSS-1047 Major Aliuzzaman Joarder AC Members : a. BEC-1594 Captain Ajmal Hussain Siddiquey Ordnance b. BJO-50056 Subedar T A Abdus Sattar Artillery

Zone 'C'

11. Summary Martial Law Court No. 11 Chittagong Sadar Sub-division of Chittagong District including Chittagong Metropolitan City Less Chittagong Port Area and adjoining Sea and Swandeeep Chairman : BA-959 Major A. A.K. Mahbub Hasan, Artillery Members : a. ND 6051 Flight Lieutenant Ahmed Badrul Hussain, B.A.F b. BJO-52026 Naib Subedar Mohd. Abdur Rashid, E. Bengal.

12. Summary Martial Law Court No. 12 Chittagong Port Area of Chittagong and the adjoining Sea and Swandeeep Island Chairman Lieutenant Commander Khandokes Mohiuddin Ahmed (X) BN Members : a. BEC-1623 Captain Abul Kashem Mia, Artillery b. BO-81529 Warrant Officer Shamsul Alam Dewan, BAF.

13. Summary Martial Law Court No. 13 Chittagong Hill Tracts. Entire Civil District of Chittagong Hill Tracts Chairman : BSS-859 Major Chowdhury Mohammad Ali, E. Bengal Members : a. BSS-1679 Captain Md. Tanveer Neaz, Engineers b. BJO-5004 Subedar Mohidul Islam, Artillery.

14. Summary Martial Law Court No 14 Bandarban. Entire Civil District of Bandarban and Potiya and Cox's Bazar Sub-Divisions of Chittagong District Chairman : BA-756 Major Sk Md. Abdur Rashid, E. Gengal. Members : a. BSS-1791 Captain Mohammad Mujibur Rahman, E Bengal, b. BJO-50169 Naib Subedar Shahjahan Ahuvan.

Zone 'D'

15. Summary Martial Law Court No 15 Comilla Entire Civil District of Comilla
Chairman : BSS-519 Major Raziuddin Khan, Engineers, Members : a. BSS-1497
Captain Md. Taiul Islam, Artillery, b. BJO-45275 Subedar SM Sirajul Islam,
AEC

16. Summary Martial Law Court No. 16 Noakhali Entire Civil District of Noakhali
Chairman : BSS-1061 Major Mohammad Hussain Khan, EME Members: a BSS-1608
Captain Md Tarikul Islam, Khan E Bengal b. BJO-45339 Naib Subedar Md Nurun
Nabi AEC.

17. Summary Martial Law Court No. 17 Sylhet Entire Civil District of Sylhet
Chairman: BSS-821 Major Abdul Khaleque Howlader E Bengal Members: a.BSS-100231
Captain Sairur Rahman AMC b. BJO-45548 Naib Subedar SM Hamidul Haque AEC

Zone 'E'

18 Summary Martial Law Court No 18 Jessore Entire Civil District of Jessore
Chairman: BSS-900 Major Mohammad Moinul Haque E Bengal Members, a. BSS-1468
Captain Golam Mohi Uddin E Bengal b. BJO-26952 Subedar Mohammad Atiur Rahman,
E Bengal

19. Summary Martial Law Court No 19 Kushtia Entire Civil District of Kushtia
Chairman: BA-892 Major Sheikh Amjad Hossain E Bengal Members: a. BSS-1793
Captain Moin Uddin Ahmed Artillery b. BJO-26677 Subedar Abui Hossain, E Bengal

20. Summary Martial Law Court No. 20 Faidpur-Entire Civil District of Paridpur
Chairman : BSS-745 Major A.H.M. Daud, Artillery Members: a. BSS-1706
Captain Md Ilvas Patan, E. Bengal. b. BJO-27032 Subedar Md. Wazed Ali Miah,
E. Bengal.

21. Summary Martial Law Court No. 21 Khulna. Entire Civil District of Khulna
Chairman: BSS-1136 Major Abu Tayeb Mohammad Zahirul Alam E. Bengal, Members :
a.BBS-1789 Captain Syed Hasan Iqbal ASC. b. BJO-2653 Subedar Taher Ali, BB, E;
Bengal.

22. Summary Martial Law Court No. 22 Barisal--Entire Civil District of Barisal.
Chair man: BSS-790 Major Md. Nazir Ahmed Artillery, Members : a. BSS-1752
Captain Mohabbat Hossain, E. Bengal. b. BJO-26903 Subedar Md. Sharafat Ullah,
E. Bengal.

23. Summary Martial Law Court No. 23 Patuakhali-Entire Civil District of Patuakhali-Entire Civil District of Patuakhali Chairman: BEC-1000142 Major Serajul Haque, AMC. Members: a. BSS-1772 Captain Paiz Ahmed Siddique, Signals b. BJO-26800 Subedar Mofizullah, E. Bengal.

CSO: 4220/7104

MARTIAL LAW ZONE C DIVIDED INTO FOUR SUBZONES

Dacca THE BANGLADESH TIMES in English 2 Apr 82 pp 1, 8

[Text] CHITTAGONG, April 1: In pursuance of Martial Law Order No. 6, Martial Law Zone C has been divided into four Sub-Zonal Martial Law Zones, according to an announcement made by ZMLA Zone C office here on Wednesday, reports BSS.

The names of Sub-Zonal Martial Law Administrators, area of the Sub-Zones, location of Sub-Zonal Martial Law Administrators Offices and their telephone numbers are:-

Sub Zone -- 8

- (1) Sub-Zonal Martial Law Administrator -- Colonel Mofizur Rahman Chowdhury.
- (2) Area -- Divil District of Chittagong excluding Port area and Sub-divisions of Patiya and Cox's Bazar.
- (3) Office: PDB Rest House, Chattweshwari Road, Chittagong,
- (4) Telephone Nos: --209828, 209670.

Sub Zone -- 9

- (1) Sub-Zonal Martial Law Administrator -- Commodore Fakhruddin, BN.
- (2) Area -- Chittagong Port area, territorial water of Bay of Bengal adjacent to coastal area of Zone C including outer anchorage, Sandwip channel and Sandwip island.
- (3) Office -- Port Rest House, Chittagong Naval Base.
- (4) Telephone Nos -- 504044, 502051, Navy--116.

Sub Zone -- 10

- Sub-Zonal Martial Law Administrator -- Brigadier Manzur Rashid Khan Commander.
- (2) Area -- Civil District of Chittagong Hill Tracts.

- (3) Office -- Banarupa, Rangamati.
- (4) Telephone Nos -- Army 481, 662, 694.

Sub Zone -- 11

- (1) Sub-Zonal Martial Law Administrator--Colonel Abdus Salam, psc.
- (2) Area--Civil District of Bandarban including Patiya and Cox's Bazar Sub-Divisions of Chittagong District.
- (3) Office -- Brigade Headquarter, 69 Infantry Brigade, Bandarban.
- (4) Telephone Nos -- Army 229, 227.

Members of the public are requested to contact Zonal Martial Law Offices only when Sub-Zonal Martial Law Administrators fail to redress their genuine grievances. However, both Zonal Martial Law and Sub-Zonal Martial Law offices may be contacted for any kind of important information as convenient to them.

Address and telephone Nos. of Zonal Martial Law office is, Zonal Martial Law Office, Zone C Chittagong Cantt Natunpara, Chittagong telephone Nos 312193 212129, Army 236, 298.

Zonal Martial Law Administrators will also set up offices at respective Sub-Divisional headquarters in their respective area of responsibility.

CSO: 4220/7099

ERSHAD 7 APR SPEECH AT JESSORE CANTONMENT REPORTED

Dacca THE BANGLADESH TIMES in English 8 Apr 82 pp 1, 8

[Text] JESSORE, April 7: The Chief Martial Law Administrator, Lt. Gen. H.M. Ershad, said here today that the prime objective of the present government was to ensure people's welfare through eradicating social injustices and vices, reports BSS.

Addressing the jawans and officers at Jessore Cantonment, the CMLA asserted taht the society must get rid of rampant corruption and other vices rooted in it through long years of colonial administrative system.

Stressing the need for recasting the existing administrative structure, he called for evolving a new administrative machinery that would meet the requirements of an independent nation.

General Ershad said that the Government would go for decentralisation of power down to the thana level so that the commonman could get quick and efficient service from the administration and feel his involvement in the overall national development activities.

He said that changes would have to be made in the country's judicial system for speedy disposal of cases at minimum cost.

The CMLA said that the country's land distribution system had to be rationalised to encourage the people in the field to boost agricultural productions.

Referring to the industrial sector which had suffered a lot due to mal-administration and mal-practices, General Ershad stressed the need for taking appropriate measures so that industrial units could be made productive.

He underscored the need for taking effective and pragmatic programmes to halt population explosion.

Turning to the education sector, the CMLA said, "the education system will be so reorganised that the institutions could produce worthy and patriotic citizens".

General Ershad reminded the members of the Armed Forces of the great responsibility reposed in them by the people and said, "we have no scope to fail in our action".

He pointed out that Martial Law was not generally welcomed in an independent country. But in our case the people gave overwhelming and spontaneous support to the new government with the hope of getting a better future for them.

The CMLA called upon the Armed Forces personnel to deal with the people in such a way that they could earn their (people's) love, esteem and confidence. The present Martial Law, he re-iterated, was the people's Martial Law and it was proclaimed only to serve the people and not to rule them.

General Ershad pointed out that the Armed Forces had no lust for power. The Armed Forces, he said, would create an example in the history by transferring power even after the takeover.

Later, the CMLA witnessed the training and exercise of the troops in field. He personally talked to the jawans and enquired about their welfare and also stressed the need for continuous training, exercise and maintenance of strict discipline.

CSO: 4220/7111

TEXT OF ERSHAD 8 APR SPEECH TO BUSINESSMEN

Dacca THE BANGLADESH OBSERVER in English 9 Apr 82 pp 1, 12

[Text] The Chief Martial Law Administrator Lt. Gen. H.M. Ershad said in Dacca on Thursday that facilities and incentives now available for the local investors and entrepreneurs for investment would remain unchanged, reports BSS.

Addressing industrialists and businessmen from all over the country, the CMLA said that side by side with the public sector the private sector had a great role to play in the rapid development of the country.

He said, the public sector had an important role, particularly in a developing country like Bangladesh, as it provides infrastructures and highly capital intensive and basic industries.

General Ershad said, "while the public sector will continue to play its due role, we intend to provide a more pronounced role to the private sector as well". The present investment policy has already given a wide field for private sector investment, he added.

He pointed out that the initiative, managerial skill and entrepreneurial ability of the private sector had to be given full opportunity to make its contribution. New areas of investment will be further opened up provided the private sector makes fuller use of the existing facilities and opportunities, he added.

The CMLA said, "we will continue to encourage and welcome foreign investment and technical know-how either as joint ventures or outright investments".

The foreign investment would be particularly encouraged in areas where technical know-how is not locally available, technology involved is complicated, capital outlay is large, and for export purposes, he added.

The CMLA held out assurance that the policy to promote and protect interests of foreign investors would remain unaltered and said it would be also the endeavour to simplify and end red-tapism in the decision-making process in these cases.

Referring to the Export Processing Zone being set up in the country, he said, this was an important step in the industrialisation programme of the country. "I would like our investors to make use of this facility", he added.

General Ershad said that the government was taking steps to further simplify, streamline and decentralise the sanctioning procedure and authority "We are taking in hand a programme for further development and extension of the services provided by the Investment Advisory Centre and Management Development Centre, and I would like you to make greater use of these facilities."

The CMLA said that it would be the endeavour of the present government to provide reasonable protection to our local industries so that they could increasingly meet the needs of the country. But, he added, we must ensure that such protection is not misused either by charging higher prices or by producing poor quality goods.

Stressing the need for balanced industrialisation of the country, Gen. Ershad said that would continue with the existing concessionary import duty, tax, holiday and other special facilities to encourage investments in less developed areas. We attached great importance to the policy of balanced regional growth so that the benefits of development can be shared equitably, he added.

The CMLA underscored the need for establishing basic industries to act as catalyst for the growth of smaller industries around them and said, it is time that the private sector should progressively move from the present "assembly stage" to "manufacturing stage" to have a secured industrial base for the country.

General Ershad said, "I would like to draw your attention to the need for accountability in our national life, more so when we are entrusted with responsibility by our society. While appropriate measures are being taken to introduce a greater degree of accountability in the public sector enterprises, it is time we thought we pay some attention to this aspect of the matter in the realm of private trade and industry as well."

He said, "we would expect this accountability to take the form of sound business ethics, conscientious use of the facilities provided by the government, repayment of loans on schedule taken from public institutions, consumer interests and regular payment of dues and charges."

Reminding the responsibilities of the private sector, the CMLA said, "time has now come when everyone of us has to work hard with sincerity, integrity and sense of devotion. I expect you to put in your best so that with combined efforts we can give a new sense of direction to the economic development of the country".

Text of Address

Following is the full text of General Ershad's address:

"Gentlemen,

I am very happy to meet you all today. The fact that you are amongst the first public group that I am meeting signifies the importance we place on the industrial and business community of the country. I firmly believe that trade

and industry are integral parts of our economic life and that you are playing an important role to keep the wheels of the economy moving. Government and business are partners in progress and we should work together in natural alliance to fulfil the hopes and aspirations of the people and ensure for them their basic minimum needs.

2. We are passing through a critical juncture of our national life. You are aware of the circumstances and imperatives which compelled the valiant armed forces to take over the responsibility of the government. There was no alternative left for the nation. Inshallah, with your co-operation and of our people, we hope to meet the challenges facing us and find a solution to many of the problems afflicting us today.

3. Gentlemen, I am of the view that along with quick agricultural growth, we must aim at rapid industrialisation of the country. The investment policy has been fashioned with this basic objective in view. It will be our endeavour to make this policy more pragmatic, liberal and geared to the growing and changing needs of the country. I would like to assure you that the various facilities and incentives already provided for in the investment policy will not only be maintained but will be further extended wherever necessary. Our efforts should now be directed towards channelling investment resources in all priority and productive sectors, so that production is maximised, additional employment is generated and self-reliance is progressively achieved in all sectors of the economy. As a self-respecting nation, we can not depend indefinitely on foreign aid. Our dependence on foreign aid has to be reduced to the minimum within the shortest possible time.

4. Some people ask me: What is the role of the public sector vis-a-vis the private sector. I am of the view that the public sector has a role, an important one in the rapid development of a country, particularly in a developing country such as Bangladesh specifically by providing infrastructures and highly capital intensive and basic industries. But, side by side, the private sector has still a greater role to play. The initiative managerial skill and entrepreneurial ability of the private sector has to be given full opportunity to make its contribution. While the public sector will continue to play its due role, we intend to provide a more pronounced role to the private sector as well. The present investment policy has already given a wide field for private sector investment. A lot of facilities and incentives are also available for this purpose, new areas of investment will be further opened up provided the private sector makes fuller use of the existing facilities and opportunities.

5. I feel sorry to say, but I must point out that our investments in industries have so far been confined mostly to producing simple consumer goods. The time has now come to take a hard look at the industrial development pattern. It is about time that the private sector progressively moves away from the present "assembly" stage to "manufacturing" stage so that a secure industrial base is laid for the country. We have to make a beginning in the establishment of basic industries which should act as a catalyst for the growth of smaller industries around them. This linkage pattern is what we should now promote vigorously. In this connection, I should also point out that we are

not making full use of the existing facilities, particularly those available in the public sector, because of poor co-ordination between public and private sectors. This, I think, should be rectified in the interest of the country. We are a poor country. Our resources are limited and our facilities wherever available should therefore be fully utilised.

6. We will continue to encourage and welcome foreign investment and technical know-how either as joint ventures or outright investments. And this will be particularly encouraged in areas where technical know-how is not locally available, technology involved is complicated, capital outlay is large and for export purposes. Let me assure you all that our policy to promote and protect interests of foreign investors will remain unaltered. It will be also our endeavour to simplify and cut out red-tape in the decision making process in these cases.

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7. I would like to draw your attention to the new Export Processing Zone being set up in the country. This is an important feature in our industrial programme and I would like our investors to make full use of this facility. In fact, we will welcome suggestions to make it more attractive to investors.

8. Gentlemen, I would also like to assure our local investors and entrepreneurs that facilities and incentives available now for investment will remain unchanged. In fact, we are taking steps to further simplify, streamline and decentralise the sanctioning procedure and authority. For speedier implementation, monitoring will be geared up and services will be provided to remove the difficulties within the shortest possible time. We are taking in hand a programme for further development and extension of the services provided by the Investment Advisory Centre and the Management Development Centre. I would like you to make greater use of these facilities. In this regard I would like a word of caution. I must say that I am not satisfied with the current level of utilisation of sanctions. Many of our investors have received sanctions for setting up industries but are not taking adequate steps to put their investments on the ground. This must improve. Sanction alone does not mean anything until they are properly utilised. A review of such sanctions, will be taken in hand shortly so that those who have not shown adequate interest in following up sanctions will no longer be permitted to continue to cling to them.

9. I have also noticed a general tendency amongst our industrialists to confine their efforts to areas mostly in and around the metropolitan cities of Dacca, Chittagong and Khulna. This has resulted in regional imbalance. We attach great importance to the policy of balanced regional growth so that the benefits of development can be shared equitably. With this end in view the Government will continue with the existing concessionary import duty, tax holiday and other special facilities to encourage investments in less developed areas.

10. It will also be our endeavour to provide reasonable protection to our local industries so that they can increasingly meet our needs. But we must ensure however that this protection is not misused either by charging higher prices or by producing poor quality of goods. In your own interest, you should so organise yourself that the interests of consumers are fully protected.

11. I would also like to draw your attention to the need for accountability in our national life, more so when we are entrusted with responsibilities by our society. While appropriate measures are being taken to introduce a greater degree of accountability in the public sector enterprises, it is time we thought we pay some attention to this aspect of the matter in the realm of private trade and industry as well. For those of you who are engaged in trade and industry, we would expect this accountability to take the form of sound business ethics, conscientious use of the facilities provided by the Government, repayment of loans on schedule taken from public institutions, consumer interests and regular payment of public dues and charges.

12. Another area which I would like to mention is the need for innovation and adaptation in industrial technology. All over the world it is the cry of the day. We seem to be lamentably lacking in that effort. I would like the private sector to seriously consider investing resources in research and development so that they could both diversify as well as improve the quality of their products. Industrial entrepreneurs, preferably in groups should make a beginning in this direction. There is at present very poor linkage between the industries and the Government research organisations set up and maintained at a huge cost. This should be rectified and there should be greater contacts between two. I feel, the chambers can do a pioneering work in this area.

13. Gentlemen this meeting today, I hope, is the beginning of a continuous process of dialogue between the Government and the representatives of business and industry. I have great faith in your ability, skill and sense of patriotism. I have no doubt that you are fully conscious of your responsibilities particularly at this time and that you will rise to our expectations.

14. Time has now come when everyone of us has to work hard with sincerity, integrity and sense of devotion. I expect you, gentlemen, to put in your best so that with combined efforts we can give a new sense of direction to this economic development of the country.

Thank you.

CSO: 4220/7112

ERSHAD ADDRESSES COMMISSIONERS MEETING 8 APR

Dacca THE BANGLADESH OBSERVER in English 9 Apr 82 pp 1, 12

[Text] The Chief Martial Law Administrator Lt. Gen. H. M. Ershad on Thursday said the object of the present administration was to give the country a democratic system which would ensure that the power really vests with the people, reports BSS.

Addressing a conference of Divisional Commissioners and Deputy Commissioners in Dacca, the CMLA said that such a "people-oriented system" must be free from personal ambitions and would apply even to the Constitution which hitherto since the emergence of Bangladesh had been tailored to suit personal needs rather than national aspirations

The conference held at the Old Jativa Sangsad Bhaban under the Chairmanship of the Chief Martial Law Administrator was attended among others by the Special Adviser to the CMLA and Advisers-in-Charge of Ministries of Food and Relief Law, Land Administration and Land Reforms, Health and Population Control, Local Government Rural Development and Cooperatives, and Information and Broadcasting.

General Ershad said that the present administration hoped to be able to formulate policies over the next two years towards achieving this goal.

Spelling out in unambiguous terms the administration's national objectives and priorities, he said it was determined to give the country a corruption-free administration which would be streamlined by removing the existing bottlenecks through decentralisation and modern office management.

The CMLA said that the landless people must get justice and without land reforms the legacy of colonial days could not be shaken off. This subject needs a national debate. He said and assured the audience that the forum for such a debate would be made available by the administration very shortly.

Turning to the present legal system, he said that it had to be simplified and freed from its cumbersome and time-consuming practices.

General Ershad told the conference that a committee comprising the Cabinet Secretary, Home Secretary, and the Establishment Secretary would be producing a report in this connection by the first week of May.

The CMLA said that measures taken so far in the field of population growth and population control had not proved effective. Emphasising that this very important subject must be tackled on a realistic basis, he said, the huge sums of money which were being spent must be utilised to control population growth to enable the country to achieve its economic goals.

Referring to agriculture General Ershad said that there was simply no excuse for the country not to achieve self-sufficiency in food. Given the enormous resources available, this administration would deal with agriculture on highest priority.

Earlier, while relating the events which led to the imposition of Martial Law, the CMLA told the senior officials that the main reasons were corruption, mal-administration and a very bad law and order situation. He emphasised that the responsibilities for the collapse of the civilian Government must also fall on the senior civil servants.

He also said that an extensive propaganda was carried out that there was food shortage which led to hoarding, high prices and certainly to the present crisis. He added that the civil servants must also share a major responsibility for failing to combat this propaganda.

The CMLA asserted that there is in fact no food shortage and that the present difficulty is one of the mechanism of distribution which Government was attending to on an urgent basis and in-depth.

Turning to industries, they CMLA said the present import-oriented industrial policy was responsible for the current state of our local industries and that the industrial policy had to be changed drastically to encourage our own industries which had an enormous scope to expand and succeed.

He said that it was a matter of shame that aid-giving agencies should be telling the Government that aid money was being misappropriated.

General Ershad said, "We must together ensure that we could implement projects and reach the benefits to the people working together as a team"

The conference was highlighted by a session of questions and answers. There was a free exchange of thoughts on the legal system, on district development projects and the difficulties of administration down to the thana level.

The conference also discussed how the proliferated development boards could be integrated into the district development programmes as a measure of streamlining and economising them.

The CMLA thanked the officers for their very constructive ideas and wound up the conference saying, "You are not the representatives of the Crown but those of the people. You are one of the most educated cadres. The people are expecting much from you".

DACCA PAPER APOLOGIZES FOR 'BASELESS' REPORT

Dacca THE BANGLADESH OBSERVER in English 9 Apr 82 p 12

[Text] Unqualified apology has been tendered by the weekly 'Sangbadik' at the Press Council for publishing unfounded defamatory news against Dr. Zafrullah Chowdhury and Mr. Enayetullah Khan according to a Press release issued by the Council reports BSS.

A report was published in the August 11, 1981 issue of the weekly to the effect that Dr. Zafrullah Chowdhury is an agent of an international coterie and that he and Mr. Enayetullah Khan received Taka 50 lakh from the party in power.

Filing a case in the Press Council Mr. Chowdhury and Mr. Khan stated that the report was "false and baseless" and was not supported by any reliable data, evidence or information and their image and reputation were undermined by the report.

The Editor Chief Assistant Editor and the proprietor of the Press against whom this case has been filed confess in one voice that they published the defamatory news without any proof or just cause and accordingly they tender unconditional apology.

In view of the circumstances "we declare the restoration of reputation in favour of Dr. Zafrullah Chowdhury and Mr. Enayetullah Khan", the Council said.

"Although unqualified apology has been tendered by the Editor and others and no further action is generally called for, yet in order that this kind of report is never published again we warn the Editor against repetition of publication of such unfounded news in future. Any breach in this respect will meet with sterner action", the Council added.

CSO: 4220/7112

ERSHAD ADDRESS LOCAL GOVERNMENT REPRESENTATIVES

Dacca THE BANGLADESH TIMES in English 12 Apr 82 pp 1, 8

[Text] The Chief Martial Law Administrator, Lt General H M Ershad said on Sunday that the Local Government institutions like union parishad and gram sarkars would be restructured so that they could serve the people more efficiently and effectively.

Addressing the conference of the Local Government representatives of Dacca district at the Bangladesh Shilpakala Academy, the CMLA said that the new structure would not only strengthen the Local Government institutions, it would also help the representatives to win the respect and confidence of the people.

From Palace to Huts

General Ershad said that a new administrative system would be introduced where the people at the grass root level would be able to run the affairs of the country instead of a handful of persons like in the past.

He said that the saying "the people are the source of power" was nothing but a slogan in the past. "The source of power was a big house. We shall transfer the power from palace to the huts and make the people the source of all power in the true sense of the term."

The conference was also addressed by Adviser in-charge of the Ministry of Local Government Mahbubur Rahman, Commissioner, Dacca Division Khaney Alam Khan and the Deputy Commissioner of Dacca Abul Hasnat Mufazzal Karim. The conference began with the recitation from Holy Quran by the Imam of Dacca Collectorate Mosque.

Earn Confidence

The Chief Martial Law Administrator said that due to misdeeds of a section of Local Government representatives, the overall image of the Local Government bodies was impaired.

"This image must be restored. You are to be friends of the people. You must earn respect and confidence of the people," he said.

Stressing the need for the development of country's villages where most of the people lived, General Ershad said, it was painful that people were coming to towns due to lack of security, shortage of food and absence of facilities although Bangladesh had a rural based economy.

Sonar Grams

Amidst thunderous applause, General Ershad said that the present Government was determined to build "sonar grams" by injecting a new life in the people of villages.

He said, "there were days when villages had fish in ponds, cattles in cowshed and crops in the fields. We want to see these villages again. We shall have to reorganise the villages."

Holy War

Narrating briefly the reasons for imposition of Martial Law in the country, General Ershad said that the main reasons were corruption, maladministration and law and order situation. "We have started a jihad against corruption and we must win the holy war otherwise our existence will be at a stake".

He said that in the past the government became isolated from the people and it was difficult for the commonman to reach the administration. "We shall now take the administration to villages and thanas to serve the people 'better", he said.

Not for One Party

General Ershad said that the new administration would establish a democracy in the country, where everybody would have direct participation and involvement. This democracy, he said, would not be for an individual or for one party, but for the people and by the people.

General Ershad said, "this democracy will be people's democracy where you will be able to speak freely and express yourselves. It will be your democracy, democracy built by yourselves".

He said, "we shall create a unique example in the history of the world by establishing a kind of democracy which was never given by any Martial Law authority anywhere".

Land Reforms

The CCLA said that the land tenure system, which was a colonial legacy, should have to be reformed to protect the men behind the plough from ruination and inspire them to increase food production. "We shall have to save the landless people and this can be done only through land reforms, he said.

"We will have to live with dignity instead of begging and for that matter have to be self-sufficient in our food production."

The CMLA said that the country was facing economic problems. It was the government and not the people who were responsible for the state of affairs.

"We shall have to save the country from this economic problems because the people want to live like human beings", he said.

Food Crisis Averted

Referring to the food situation, the CMLA said that the nation faced serious food crisis which "we have been able to overcome". The people of the whole world have already responded to our food need, he said and assured that none would starve in the country.

Population Explosion

Turning to the population explosion, the CMLA said that unless it was checked effectively the survival of the nation would be at a stake. All our efforts to increase productions in fields and factories would become meaningless if we could not combat this problem, he said.

General Ershad said that he had called for a jihad against population explosion. He urged the local government representatives to extend their full co-operation in this respect and convince the people about the good side of planned parenthood.

Legal System

Referring to the present legal system, he said that it had to be simplified and freed from its cumbersome and time consuming practices to that the people did not suffer as they had in the past.

Industrial Sector

General Ershad expressed his concern over the state of affairs in the industrial sector and said that wastage in industries must be stopped. "Many a public sector industry is overburdened with debts. It is not possible to carry the load any more".

He said that the industrial units which would not be able to manage profitably would be released. "We shall retain those which we shall be able to run", he said.

Serve the Oppressed

BSS adds: General Ershad said that the nation had the responsibility to look after the people who had been exploited and oppressed for ages. "We cannot sit idle to see that their condition is further deteriorated". he said, adding. "We have responsibility for them and we have to work with dedication for the improvement of their economic plight".

The CMMA said, "we shall have to live honourably, holding high our heads and to achieve this we need united efforts by all sections of people".

He sought cooperation from the representatives of the local government for building a happy and prosperous "Golden Bengal" while the packed audience at the auditorium applauded and raised their hands, supporting the efforts of the new government.

Mahbubur Rahman

Speaking on the occasion, Mr Mahbubur Rahman said that the liberation war was fought to have an independent and sovereign Bangladesh free from corruption and injustice. But in reality the hopes were shattered due to misrule in the past, he added.

He said, the nation has resources and those should be utilised in a planned manner for building the country. "Let's start our efforts anew under the leadership of the present government unitedly for the implementation of its programmes instead of shifting our responsibility to others for our past wrong-doings and failures".

Mr Rahman said the nation has no alternative but to put in honest and hard work for building the country. The future development plan would give more stress on village development as the development of cities and towns only would not mean balanced development of the country.

CSO: 4220/7117

ERSHAD PLEDGES TO REHABILITATE FREEDOM FIGHTERS

Dacca THE BANGLADESH OBSERVER in English 28 Mar 82 pp 1, 12

[Text] Lt Gen. H.M. Ershad, Chief Martial Law Administrator and Commander-in-Chief of the Armed Forces called upon the people to work shoulder to shoulder with the members of the armed forces to build a happy, prosperous and corruption-free Bangladesh, reports BSS.

General Ershad reiterated that he was free of any political ambition but sought to ameliorate the sufferings of the teeming millions.

The CMLA was addressing in the city on Saturday morning the war-wounded Freedom Fighters at the Rehabilitation Centre at Mohammadpur.

Following a Milad Mahfil at the centre the C.M.L.A. and the C-in-C General Ershad urged upon all to take a fresh vow to make the country a happy abode and paid tributes to war wounded freedom fighters for whom "my dream was to rehabilitate them which I can do now".

The C.M.L.A. described March 26 as a day of joy and sorrow for the nation because "we felt sorry as we lost millions of our brethren in the bloody war and we are happy since we have been independent owing to the war".

After the milad mahfil a special prayer was offered for the eternal peace of these Freedom Fighters who made the supreme sacrifice for a happy tomorrow for the posterity. Prayer was also offered for the early recovery of the wounded Freedom Fighters and the well-being of their families.

CSO: 4220/7089

PAPER DISCUSSES PROBLEMS, PITFALLS OF MILITARY RULE

Dacca HOLIDAY in English 28 Mar 82 pp 1, 8

[Article by Enayetullah Khan and Achintya Sen]

[Text] A handbook on political changes, violent or otherwise, in a least-developed country is more easily written than practised. Such changes as and when those occur in a given socio-economic or geo-political matrix are deemed as an effect of a law of necessity.

Such a law of necessity may not necessarily be a clever innovation for a theoretical justification of political changes. It can very well emanate from the obsolescence of a given power arrangement between the competing and colluding power groups.

The latest instance of military takeover in supercession of the presidency and the parliament is one such compulsive case in point. The merit of the case is, therefore, irrelevant to the context of the present times.

What is important is to probe the factors leading to this supercession, and the impact, thereof in the determination of hopefully a democratic and progressive polity in the immediate or not-too-distant future.

Soon after the presidential election we had observed: "The quality of political option exercised by the dominant social forces, and the measure of vote, however inflated, can be seen as a quest on their part to strike an equilibrium in the state apparatus. Whether or not such an equilibrium can be brought about, in the setting of economic uncertainties, will largely depend on the interaction and perception of the political, the military and the bureaucratic groups which form the triad of dominance in the state machine." (A triad of dominance by Enayetullah Khan, Holiday, November 22, 1981)

But that was not to happen. Thanks to the myopia of a made-to-order presidency, the quest for equilibrium soon ran into the snag of fierce contentions between the triad resulting in an unworkable triarchy.

And "the fierce battle for supremacy--now open, now hidden--between the split power--lobbies and the intramural conflict within the ruling BNP" could not stop at the median line. "A crisis always calls for some intervention to

resolve itself." (Can a crash be avoided? by Enayetullah Khan, Holiday February 7, 1982)

If "the rather unspectacular brinkmanship of the presidency and the BNP parliamentarians leaves only the military to act" (ibid), then there was nothing unusual about the change of government through military intervention on March 24. Leave aside ambitions, the whole thing happened because of the inherent crisis within the system and the built-in inability of a surrogate political system to exercise the absolute powers of a President within the reality of power-sharing with the armed forces.

The above thesis automatically puts the political component of the power structure, that is, the presidency and the parliament on the dock.

Besides the relative obsolescence of the existing political instruments, the factional power-struggle within the ruling political party, indulgence in unbridled malpractices and corruption, and the utter imbecility in accepting the realities of power-sharing and governance have brought about a sudden rupture in our so-called constitutional continuity.

Furthermore, the very event of change also points to the need of changing a system which was tailor-made for Ziaur Rahman only.

The Sattar government's wickedness and opprobrium coupled with his cunning maneuvers to resurrect an old and obsolete political order and his total incapacity to lead the government forfeited the people's confidence in him.

His procrastinations in matters of elimination of corruption, meeting the challenge of law and order, curbing the oppressive price-spiral, and spring-cleaning the government and the party despaired the entire polity.

Whatever rotten exposures and consequential actions were made and taken during the last days of his government were not the effects of his political will, but of administrative actions taken beyond the reach of his long hand and that of his political party.

That is the reason why the intercession of the military in the affairs of state through the drastic and extra-constitutional instrument of martial law was generally welcomed by all shades of opinion and the people.

If the military did not receive loud cheers from the people, it was due more to the cynicism and despondency of the masses built up over the years by successive regimes' bluffs, conspiracies and mindless lust for wealth accumulation at the expense of the poor citizenry.

Besides, the historical experience of the political and administrative degeneration of different variants of regimes in then Pakistan and now Bangladesh and the relative scepticism about the real intent of military take-over have also contributed to what can be described as cautious optimism of the concerned masses.

Content and Claim

Although classical in form, the martial law of General Ershad differs in its dynamics as hypothesized above as also in its content from the generally understood military interventions in Third World countries.

The cue to the content can be taken from General Ershad's extra-official assertion of the "politico-military problem" in his public statement of November 28 last--barely thirteen days after the presidential election.

The debates over the assertion notwithstanding, General Ershad laid a claim of the armed forces over the political process as one of the vanguards, if not the only one.

In fact the military ethos of a coup d'etat was substituted by political ethos with the assertion that the armed forces, and not necessarily individual heroes, have played a vanguardist role alongside the people since the War of Independence in 1971.

Although the mechanics of resolving the politico-military problems were not spelt out beyond a now-infructuous National Security Council, this perception of the military constitutes the fundamental ethos of a take-over and its futuristic systems-planning.

The sequence by sequence escalation of this issue of politico-military realities, which the military and some political realists deem as fundamental to the construction of a modern and viable Bangladesh, can thus be described as the subjective basis of the military take-over.

Thus on November 28, 1981, General Ershad said in a drastic extra-official statement: "I am a soldier and not a politician. By now I have proved that I want to remain a soldier. I have no personal ambition. What I am doing by raising the question of the role of the military is that I am doing some straight talk about a very grave and deep-seated politico-military problem. I hope that our politicians sincerely try to comprehend the grave nature of this problem in our body-politic and military.

"It is not a question of sharing power; it is not a question of my being given cabinet post or rank; it is not a question of our generals and brigadiers getting benefits of rank and status; it is not a question of our officers and men exercising power over the civilian counterpart. No, not at all. These are trifle matters of modalities and making suitable organizational structures to help execution of national policy decisions.

"What is important is the fundamental concept of recognizing the politico-military problems and finding permanent solution in a constitutional approach."

Elaborating his point the general said, "We must face facts and look into the problems in depth. It is a serious matter. It has far-reaching effects in ensuring democracy forever if we can give a proper place to the military in our society.

"During the rest of my term as chief of staff, there will be no coups, but what you must do is to find constitutional solutions so that coups and killings to not take place five years later or ten years later or ever again."

The above excerpts from the general's November 28 statement are crucially important to our understanding of the subjective basis of the military take-over.

It was a case almost prepared brick by brick with sufficient precision and rhetorical thrift. Otherwise how can it be explained that he had to take "extreme measures" (his own words) only four months after he expressed his unreserved optimism about coups not taking place?

Perhaps the explanation lies in what we have earlier described as the differing nature of the dynamics and content of this take-over from those of the generally understood military interventions in Third World countries.

General Ershad also talked about the unclassical character of his bloodless institutional take over.

The general, however, did not dwell upon the politico military problem in his Wednesday afternoon speech but for a passing reference that "the armed forces will participate with the people actively in this new development and economic system for making far-reaching impact on national life and thus create a new horizon in the country's economic development."

Rather the general upheld his action by saying that national security, independence and sovereignty were threatened by social and political indiscipline, unprecedented corruption, a devastated economy, administrative stalemate, extreme deterioration of law and order, and frightening economic and food crises.

The general promised an economic revolution, a corruption and exploitation-free society, people-oriented administration, internal peace and tranquility, trouble-free campus and restoration of democracy by holding fair elections as soon as possible.

The lofty objectives of the general will be welcomed by one and all although these may have the flavor of routine pledges made by all regimes, constitutional or extra-constitutional.

Vital Point

The vital point, however, is whether the new administration with its customary advisory body can have sufficient comprehension of the fundamental ethos of the military take-over as hinted broadly in the November 28 statement of General Ershad.

The translation of words into actions can be difficult to be done by people with straight-jacket thought-process and reflexes.

The general has indeed taken on a very heavy responsibility, and if he is determined to remain true to his words, he has to be prepared to brave a stormy

and eventful future. The enemies of justice, democracy, peace, progress, economic development, stability, and above all independence are too strong to be dismissed lightly.

And there will be every lure before the new administration to repeat the blunders committed by past regimes in Bangladesh.

Military Courts

We will now briefly touch on one special feature and sensitive affair of every martial law administration--summary military courts and tribunals that enjoy enormous and unrestrained power and which are the main organs of such regimes to exercise "dictatorship" over the peoples' enemies.

This requires the wisest and the most cautious handling.

Here we would like to recapitulate General Ayub's experience. After the proclamation of martial law in 1958 Ayub Khan dotted the country with summary military courts. The summary military courts were going to punish the "high and the mighty" and give speedy justice to the common man.

Within a month of the functioning of the summary military courts, President Ayub Khan held a special meeting of his cabinet at Karachi and decided to wind them up at once. The governor of the West Pakistan,, Akhtar Hussain, and the governor of then East Pakirtan, Zakir Hussain, concurred with the decision.

In the cabinet, General Burki opposed the decision as a dilution of martial law. Manzoor Kadir explained at length what was happening and why it had become imperative to wind up the summary military courts.

After he had finished his scholarly presentation, he turned to General Barki and said in his cultivated Cambridge accent "General the choice is between the dilution of martial law and the degeneration of the Pakistan Army". The summary military courts were would up.

Besides, the new Administration will do good if it understands the reservations and apathy of the world community about military courts and Bangladesh for its mere survival has to depend heavily on them. This point should not be missed.

Democracy

Now to the central aspect of our nationhood, i.e. the question of constitutional--democratic process. The search for a truly democratic and egalitarian system has so long been elusive for us.

The foundation of the democratic order is so fragile in this country that none of the five successive administrations here could assume power through a constitutional process.

Sheikh Mujib came to power following a bloody War of Independence; Khandakar Mushtaque took the reins of government after the assassination of Sheikh Mujibur Rahman; Ziaur Rahman took over on the crest of a popular rebellion; Sattar became President when Ziaur Rahman was murdered at his post; and General Ershad became Chief martial law administrator in the late hours of the night after suspending the constitution.

It would be sheer naivette to believe that this process of extra-constitutional transfer of power has come to a halt on the fateful morning of March 24.

On the contrary, if some concrete and pragmatic arrangement are not established at the earliest on the basis of a realistic appraisal of various groups and forces tragic political episodes will invariably recur and the dream of democracy and stability will be a far cry.

Unlike many Third World countries, Bangladesh has a long experience of representative of pseudo-representative government. Six general elections on the basis of adult suffrage were held in this land in 1937, 1946, 1954, 1970, 1973, and 1979. And two Presidents were elected on the basis of popular votes in 1978 and 1981.

This fact alone proves that people's aspirations of a truly democratic government here are very deeprooted, otherwise these exercises would never have been resorted to.

General Ershad made a cryptic remark about his democratic model on March 24: "I want to tell you in clear terms that our earnest and principal objective is to restore democracy in the country. But that democracy has to be consistent with the hopes and aspirations of the people capable of meeting their demands" (the emphasis is ours).

Obviously this indicates that the general has something in his mind about the constitutional arrangement which he is most likely to detail at an appropriate time.

In this context he further observed, "I firmly believe that general elections will be held in the country as soon as possible."

The cue to his not making any definite promise of handing over power to the elected representatives lies in his Nov. 28 press statement where he put great emphasis on the country's politico-military problem.

Crucial Point

Right now we have no intention of going into the details of this sensitive and complex subject. A debate on the question of supremacy of the military or the civilians in the governance of the country is also likely to be counter-productive as exponents of both schools have many strong points to cite in their favor,

What we want to emphasize is that before any permanent arrangement is brought about one should consider more the reality of the Bangladesh situation as well as world public opinion than the ideological point. One aspect of this concrete reality is that politicians, however insignificant they might be today, will not reconcile themselves to usurpation of political power by any other institution and in the long run they may be in a position to inflict a terrible blow to the institution of the armed forces.

On the other hand it is beyond any dispute that the armed forces of Bangladesh have a tremendous urge for their voices to be honestly heard in statecraft. And it is a truism that without their support no government can function with confidence and effectiveness.

So the crux of the problem boils down to one point; Will there be cooperation between the military and the politicians? At the moment the answer to this question can be provided by none else than the supreme commander of the armed forces and chief martial law administrator Lt. Gen. Hossain Mohammad Ershad.

Finally, we would like to stress that the politico-military problem as highlighted by General Ershad neatly fits into the "second-best" analysis of neo-classical economics.

The fundamental theorem of the second-best states that in a situation where many conditions for optimality are not being fulfilled, ensuring that one more is fulfilled will not necessarily move the system any nearer to optimality.

On the contrary, it may, under some circumstances move the system further away from optimality.

If the recent political change is to augur well for attaining optimality both in the base and the superstructure of Bangladesh polity, the present leaders must take note of the above pitfall in the theorem.

CSC: 4220/7092

PRESS GIVES BACKGROUND ON GOVERNMENT APPOINTEES

Maj Gen Shamsul Haq

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Born on September 1, 1931 in Shugandhi under Matlab Police Station of Comilla district Major General M. Shamsul Haq passed Matriculation in 1946 from Sengarchar High School and I.Sc. in 1948 from Dacca College. On receiving MBBS degree from Dacca Medical College, he was commissioned in the Army Medical Corps (AMC) in 1955.

Till March 1971 Major General Shamsul Haq served in various capacities in the Army and Air Force medical installations. He joined the Liberation War and organised Bangladesh Armed Forces Medical Services. He was promoted to the rank of Lt.-Colonel in November 1971 and appointed Director General of Medical Services. After liberation, he reorganised medical services of Bangladesh. He was promoted to the rank of Colonel in April 1973 and of Brigadier in October of the same year.

He was promoted to the rank of Major General in November 1979.

On March 26 1982, Major General Shamsul Haq was appointed Adviser in charge of the Ministry of Health and Population Control.

He is married and has two sons and two daughters.

His hobby is gardening.

Maj Gen A. M. Siddiqui

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Son of late Moulvi Abdul Latif, Major General Abdul Mannan Siddiqui was born on April 3 1935 in Jessore. He studied in Jessore Zilla School and Dacca College. In 1953, he joined Pakistan Military Academy at Kakul and was commissioned in the Ordnance on September 18, 1955.

Major General Abdul Mannan Siddiqui received training in various Army Schools of instructions in erstwhile Pakistan and at the Army Engineering School in USA.

In 1964, he served with UN Forces in the Congo.

He was promoted to the rank of Lt. Colonel in June 1970. From 1967 to 70, he served in the General Headquarters in Rawalpindi. On repatriation in Pakistan in October 1973 he commanded the Central Ordnance Depot in Dacca.

In November 1975, he was appointed Director of Ordnance Services at Army Headquarters. In January 1976, he was promoted to the rank of Colonel. He became the Master General of the Ordnance in July 1976. He was promoted as Brigadier in July the same year.

On April 1, 1978 he was promoted to the rank of Major General.

Presently he has been serving as the Quarter Master General at the Army Headquarters since July 1981.

On March 29 1982, he was appointed Advisor in charge of the Ministry of Public Works and Urban Development.

Major General Abdul Mannan Siddiqui led different delegations abroad and is widely travelled.

He is married and father of 2 daughters and one son.

A. G. Mahmood

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Air Vice-Marshal (Retd) Abdul Gaffar Mahmood, Tbt PSA was born in 19334 at Yaqubpur Noakhali.

He started his flying career in the University Squadron, Dacca in October 1949. He joined the erstwhile Pakistan Air Force as a cadet in June 1952 and was commissioned on February 4, 1954.

He took active part in the 1965 Indo-Pak war and was awarded Tbt. He was also awarded Air Crew Efficiency Badge for exceptional capability as a flying instructor.

In 1970, he attended PAF Staff College at Drig Road, Karachi and was awarded PSA. He was posted as Deputy Director of Training at the PAF headquarters.

Air Vice-Marshal (Retd) A.G Mahmood has flown as many 14 different types of aircraft.

He joined Bangladesh Piman as Director of Operations and Engineering. In November 1974 he joined Bangladesh Air Force and was appointed Commander, BAF Base Chittagong.

He retired from Bangladesh Air Force as Chief of Air Staff from December 9, 1977 and joined the Council of Advisers. He was in charge of the Ministry of

Food, the Ministry of Civil Aviation and Tourism and the Ministry of Petroleum and Mineral Resources.

On March 26 1982, he was appointed member of the Council of Advisers in charge of the Ministry of Food, Relief and Rehabilitation.

He is married and has three children.

A. R. S. Doha

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Mr A. R S.Doha was born in January, 1929 in Murshidabad. He is son of Mr A. H M. Shams-ud-Doha who was Inspector-General of Police of erstwhile East Pakistan and Central Minister of Agriculture. He received his early education at St. Xavier's School, Calcutta and St Paul's School, Darjeeling. He graduated in Science with Honours from St. Xavier's College and received Gwalior Prize for Physics in 1947. Later, he graduated in Arts from Dacca University

He was commissioned from OTS, Kohat (Pakistan) as Top Cadet in 1952. He was a recipient of C-in-C's commendation. He attended Command and General Staff College, Quetta, in 1962 and was awarded "Psc" He attended Technical Staff Officers Course at the Royal Military College of Science and Technology in UK and at the School of Artillery and Guided Missiles. Fort Sill Oklahoma, USA, in 1957-58 He retired from the army as a Major in 1968 to enter politics and journalism.

He was publisher and Editor-in-Chief of English weekly "Interwing"

He contested for a National Assembly seat from Rawalpindi in 1970's general election He served three prison terms immediately preceding the liberation struggle and was released in November 1971. He was then placed under house arrest in Dacca till December 16, 1971.

He was appointed first Ambassador of Bangladesh to Yugoslavia in 1972 with concurrent accreditation to Romania.

Mr. Doha was appointed first Bangladesh Ambassador to Iran in 1974 with concurrent accreditation to Turkey He served in that position till December 1977 when he was appointed High Commissioner to U.K.

Mr. Doha attended a large number of international conferences including non-aligned summit in Algeria in 1973, non-aligned summit in Colombo in 1976, non-aligned summit in Havana in 1979 and Commonwealth Heads of Government meetings in Lusaka and Melbourne He attended Islamic Foreign Ministers' Conference in Istanbul, Commonwealth Finance Ministers' meetings in Montreal in 1978 and Malta in 1979. He was also a member of Bangladesh delegation to UN General Assembly in 1978.

He led the Bangladesh delegation to ICAO in Yugoslavia in 1973 and to the Regional Conference of the Human Settlements in Teheran in 1975. He also served as Chairman, Commonwealth Fund for Technical Cooperation (CFTC) during 1978-80

Mr. A. R. S. Doha was appointed member of trustees of the London Mosque Trust and the Islamic Centre, London. He served as its Honorary Treasurer in 1978-81 and Chairman in 1981 of the Board of Governors of the Islamic Institute of Defence Technology, London, in 1979. He was a member of Central Executive Committee of the Commonwealth Institute.

He has a number of publications and a series of articles to his credit. Of these are: "Arab-Israel War 1967" and "Emergence of South Asia's First Nation State."

He is a member of the International Institute of Strategic Studies, London.

On March 29, 1982, he was appointed Advisor in charge of the Ministry of Information and Broadcasting.

K. A. Baker

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Born on March 1, 1926 in a renowned family at Baniarah in Tangail, Mr. K.A. Baker graduated from Hazi Mohammad Mohsin College Hoogly in 1948. He graduated in Law from Dacca University in 1952. He was a part time Lecturer of Dacca University from 1956 to 1968.

He joined the Hon'ble Society of Lincoln's Inn in 1952 and was called to the Bar as a member of the English Bar on 23 November 1954. He signed the roll of the member of the English Bar on 24 November 1954 and joined the erstwhile High Court of East Pakistan on 7 February 1955..

After liberation war, he was practising in the High Court of Dacca. In 1960 he was enrolled as a counsellor of the erstwhile Pakistan Supreme Court. He was elected member of the Pakistan Bar Council and also as Senior Vice-President of the High Court Bar Association in 1965.

Mr. K.A. Baker attended as government delegate to the Chinese Revolution Day in 1957. He led a delegation to the first International Conference on Human Rights held in Teheran in 1968. He acted as the legal Advisor of State Bank, Muslim Commercial Bank Adamjee Group of Industries and Phillips Electrical Company. He also served as legal adviser to the Enemy Property Management Board under the Ministry of Communication and as legal adviser to the erstwhile BSIC, and Fisheries Development Corporation.

Mr. K A Baker was appointed Attorney General on 8 May 1976. In that capacity he led Bangladesh delegation to the Afro-Asian Legal Consultative Committee (ALCC) meeting at Baghdad in 1977 and put for the first time the definition of base line in the committee's document for referring the same to the United Nations. He led Bangladesh delegation to Afro-Asian Legal Consultative Committee (ALCC) meeting in Doha, Qatar in 1978. He also led delegation to ALCC meeting in Jakarta and attended Bandung Conference as leader of the delegation and presided over the session of ALCC.

He was one of the umpries in selecting Professors in Rajshahi University. He was member of the Faculty of Law of Dacca University.

He is Chairman of the Bangladesh Bar Council. He is member of Bangladesh Institute of International Law.

On 26 March 1982, Mr Baker was appointed adviser in Charge of the Ministry of Law and Parliamentary Affairs and the Ministry of Land Administration and Land Reforms. He will hold the responsibility in addition to the office of the Attorney General of Bangladesh.

Mr. Baker travelled the whole of Europe, the Middle East and South-East Asia.

His hobby includes sports, gardening and sight-seeing. He is married and has two sons.

Shafiul Azam

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Born on 1 February 1924, Mr. S.M. Shafiul Azam obtained M.A. degree from Dacca University securing first class first position in 1945 and Bachelor of Law degree securing first class first position in 1948.

Mr. S.M. Shafiul Azam joined the Civil Service of erstwhile Pakistan in 1949 standing first in all-Pakistan competition. He received administrative training in the Civil Service Academy, Lahore, and Australia. He served in various capacities while in service. He was Controller, Imports and Exports, erstwhile East Pakistan, and Secretary, Departments of Commerce, Industries and Health. He was Chief Controller, Imports and Exports of erstwhile Pakistan government in 1964-65.

During 1965-69, Mr. Shafiul Azam was Chairman, East Pakistan Industrial Development Corporation. During this period, industries were planned and executed among others in cement fertilizer paper and steel sectors. He was Additional Chief Secretary, Planning and Development in 1967-69.

Mr. Shafiul Azam was Chief Secretary, Government of East Pakistan in 1969-71. In this capacity he was responsible for over-all administrative control of the government below the political level. In 1971-72, he was Secretary, Ministry of Communications. From 1972 to 1974 he was stranded in Pakistan awaiting repatriation for Bangladesh.

After Liberation, he was appointed Cabinet Secretary. He assisted in the administrative re-organisation of the new Government.

Mr. Shafiul Azam was Deputy Chairman, Planning Commission in 1976-77. In this capacity he was responsible for overall planning and economic development of Bangladesh in all sectors.

In 1977, he was appointed Minister for Jute. He was appointed Adviser to the President of Bangladesh (with rank and status of a Minister) in 1979. He was appointed Adviser of the CMLA's Council of Advisers in charge of the Ministry of Industries on 27 March '82.

Mr. Shafiul Azam visited United States of America as an Eisenhower Fellow for a period of 9 months in 1961. He was a member of Economic Delegation to China in 1964, led RCD Trade Delegation to Turkey in 1965, participated in various international meetings representing erstwhile Pakistan Government and led Bangladesh Ministerial delegation to ESCAP Bangkok, in 1979.

He is married and has three children.

Aminul Islam

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 12

[Text] Born on February 1, 1931 in Medini Mondol of Louhajang P.S. in Dacca district, Air Vice-Marshal (Retd) Khan Mohammad Aminul Islam passed Matric with distinction in 1947 and I Sc. from Sadat College Karatia. He joined Air Force as a flying cadet in 1951 when studying in the Dacca Engineering College

Air Vice-Marshal (Retd) Khan Mohammad Aminul Islam was commissioned in the erstwhile Pakistan Air Force in 1952. After being commissioned, he undertook training in UK in the Royal Air Force School of Navigation and Electronics and completed the training with distinction. He graduated from the Pakistan Air Force Staff College in 1968

From 1952 to 1968, he held various responsible command and staff appointments in Pakistan Air Force, During 1969-70, he was Chief of Inter-Services Intelligence in the then East Pakistan.

After liberation, Air Vice Marshal (Retd) Aminul Islam was appointed Chief of Defence Forces Intelligence. He also served as Assistant Chief of Air Staff of Bangladesh Air Force.

He was promoted to the rank of Air Vice-Marshal in 1976.

He had been serving as Director General of Forces Intelligence up to the time of his retirement in 1977.

Air Vice-Marshal (Retd) Aminul Islam is associated with socio-cultural organisations. He is connected with Bikrampur Society and is Chairman of Bikrampur Foundation.

He travelled in about 50 countries of the world while he was in the Air Force.

On March 29, 1982, he was appointed Advisor in charge of the Ministry of Labour and Manpower.

His hobby includes games and sports and studies.

He is married and father of three sons.

Dacca THE NEW NATION in English 2 Apr 82 p 3

[Text]

Mr. Abul Maal Abdul Muhith, son of Mr. A.A.A. Hafiz of Sylhet was born on 25 January 1934. Although a brilliant student, he stood first in I A and obtained first class first position in B A from University of Dacca in 1951. He did M A in English from Dacca University in 1955 and MPA. in Economics and Government from Kennedy School, Harvard University, USA in 1964. He was given Rotary International Award for Essay writing in 1952 and Pope Gold Medal of Dacca University for academic distinction in 1954. He was Vice-President of Salimullah Hall Union in 1954-55.

He joined Civil Service of Pakistan in 1956 and undertook training in Lahore and Balliol College Oxford.

Mr. A.M.A. Muhith was appointed Secretary External Resources Division of Bangladesh Government in 1977. He was Executive Director Asian Development Bank representing Bangladesh and India during 1974-77. Earlier he was Economic Minister in Bangladesh Embassy in USA 1972-74. He was alternate Executive Director World Bank in 1972-73. While serving as Economic Counsellor in Pakistan Embassy, in Washington he transferred his allegiance to Bangladesh Government in June 1971 and opened Bangladesh Mission at his residence till the Government Representative was appointed on August 5, 1971.

Mr Muhith served in various capacities while in service in Dacca, Karachi and Rawalpindi notably as Deputy Secretary to Governor, Deputy Secretary to the Cabinet and as Chief in Planning Commission. He was alternate Governor of World Bank, Asian Development Bank, Islamic Development Bank and International Fund for Agricultural Development. He

was Bangladesh representative to the Governing Council of UNDP during 1979-1981 and delegation leader to Aid Coordinators Meeting on UNDP Inter-Country Programme in 1981 and was one of the Vice-Chairmen of the meeting. He is member, Board of Directors Dacca University Economic Research Bureau for 1980-82.

He was deputy delegation leader to ESCAP in 1976, 1979, 1981 and Chairman Technical and Drafting Committee in 1979 and 1981.

He was member, Inter-Governmental Experts Group on Asia-Pacific Development Centre in ESCAP in 1980 and member, Commonwealth Experts Group on Venture Capital in 1980.

He was leader to the Senior Officials Working Group on Restructuring of Colombo Plan and was Chairman of the Drafting Committee in 1980, and was an alternate delegation leader to UNCTAD-V in 1979.

Mr. Muhith was deputy leader of Bangladesh delegation to the UN Conference on LDCs in 1981 in Paris where he chaired one of the main two Committees of the Conference, delegation leader to Senior officials meeting on debt negotiations in UNCTAD in 1978 and also to UN Conference on TCDC in Buenos Aires in 1978 where he was Rapporteur of the main Committee. He was Adviser (1972-73) and Deputy (1973-74) in the Committee of Twenty on Reforms of the International Monetary System and Member of the Working Group on Adjustment Process. He was leader of delegation to Plenipotentiary Conference on Trade in Wild Life Species, Washington, in 1973 Keynote Speaker in the annual convention of American Carpet and Rug Industry in 1973 and delegation leader to the annual meeting of International Cotton Advisory Committee.

Washington in 1970. He was also member of delegation to the World Bank-IMF annual meetings in 1969, 1972-74, 1976-81 Asian Development Bank annual meetings in 1975-1981, Commonwealth Finance Ministers conference in 1977-81: IFAD annual meeting in 1981 UN General Assembly in 1971, (unofficial delegation) 1978, Islamic Foreign Ministers conference in 1974-75 Islamic Development Bank Annual meetings in 1975 and 1981 and Intelat Committee and Plenipotentiary meetings in 1969-71.

He served as Treasurer and later Secretary of erstwhile East

Pakistan Sports Federation from 1961 to 1963. He is a Life-member of Sylhet Central Musling, Sahity Sangsad. He was the first President of Bangladesh Association of America in Washington during 1971-73.

Mr. Mubith is author of three books namely. "Deputy Commissioner in East Pakistan", "Bangladesh—Emergence of a Nation" and "Some Thoughts on Development Administration."

He is married and has three children.

Mr. A.M.A. Mubith was appointed Adviser in-charge of the Ministry of Finance and Planning on 29 March, 1982.

Mahbubur Rahman

Dacca THE NEW NATION in English 2 Apr 82 p 3

[Text]

Mr Mahbubur Rahman, a leading senior Advocate of the Supreme Court, was born on 5th January 1934 in Noakhali. Receiving Madrasha education initially he graduated from the Dacca University in 1956. After obtaining law degree he started legal practice.

Mr. Mahbubur Rahman was a renowned student leader. He participated in the language movement in 1952. He secured national debate championships in 1953 and 1956; and was founder of the erstwhile East Pakistan Debating Society. He organised a three-day students rally under the auspices of inter-college students forum in 1956 and a five-day youth festival at national-level in March 1959 under the auspices of Pakistan Youth Council of which he was the founder General Secretary.

In 1955, he led a goodwill delegation to erstwhile West Pakistan. The same year as a member of Pakistan delegation he participated in an international conference of the International Assembly of Muslim Youth held in Karachi. He was founder Editor of the large-

ly circulated illustrated Bengali fortnightly 'Darpan' from 1964 to 1966. At present he is founder President of World Islamic Council and Editor of the Islamic fortnightly 'Islamic Solidarity.'

Mr. Mahbubur Rahman represented Pakistan in the United Nations General Assembly Session in 1967. His speeches in the United Nations and to American intellectuals were high-lighted by the press and also appreciated by the American intellectuals.

In May 1981 he led a goodwill delegation to Saudi Arabia where he successfully projected Bangladesh as a fraternal Muslim country. He met several Saudi leaders and intellectuals and on behalf of the late President Ziaur Rahman extended to them invitation to visit Bangladesh. They accepted the invitation gladly.

Mr. Mahbubur Rahman was elected unopposed a Basic Democrat in 1965. He is founder of the law firm M/s. Mahbub and Associates.

He is a writer and a highly reputed orator. He is a Lion and takes keen interest in social

welfare and humanitarian services sports and games. He is a Director of Agrani Bank and made significant contribution to its banking and management development.

He travelled all over the world representing the country on some occasions and also in connection with professional assignments.

ments. He knows several languages.

On 29 March, 1982 he was appointed Adviser in charge of the Ministry of Local Government Rural Development and Co-operatives. He had been practising law before joining the Council of Advisers.

Obaidullah Khan

Dacca THE BANGLADESH OBSERVER in English 7 Apr 82 p 8

[Text]

Mr A Z M Obaidullah Khan son of Mr Justice (Retd.) Abdul Jabbar Khan was born on May 1, 1934 in Barisal. Although a brilliant student he stood 7th in Matric and 4th in the Intermediate examinations. He obtained BA (Hons) and MA degree in English from the Dacca University.

Mr Obaidullah Khan joined the civil service of erstwhile Pakistan in 1957. He stood second in the all Pakistan competition.

He undertook courses on development administration in Civil Service Academy Lahore and diploma in Public Administration and Development Economics from Mandelstam College Cambridge University UK. He was fellow of the Center for International Affairs Harvard University USA.

Mr Obaidullah Khan has had rich professional experience. From June 1975 to March 1978 he was Special Consultant to the World Bank for preparation of the report on "Poverty oriented rural development and UN family" for Administration Coordination Committee of the United Nations. The recommendations of the report were subsequently endorsed by ECOSOC and the UN system. As fellow of the Center for International Affairs Harvard University he worked mainly on rural organizations and rural development in China.

From 1972 to 1974 Mr Obaidullah Khan was Secretary Rural Development and Cooperative Division of Bangladesh Government. He was Economic and Agricultural Counsellor in

the erstwhile Pakistan Embassy in China from 1970 to 1973. In 1969 and 1970 he was Chief Agriculture Division of erstwhile Pakistan Planning Commission. He was Secretary in Charge of the Local Government and Information Departments of erstwhile East Pakistan Government from 1967 to 1969. He held also other important positions in the government.

Mr Obaidullah Khan is an eminent poet and prolific writer of the country. He was awarded Bangla Academy Award for Poetry in 1980-81. His important publications include Samirir Har Kakhono Rang Kakhono Sur Kamaler Choto Ami K'mbadantir Katha Bel chhi Sahishnu Pratikkha.

His other important publications are: Poverty Oriented Rural Development and the UN family A Turning Point (1978) Three Great Struggles in the Ganges (1977) Yellow Sand Hills China through Chinese Eyes (1974) Rural

Development: Problems and Prospects in Bangladesh (1973) Cultural Revolution in a Chinese Commune (1972) An Unfinished Story: Rural Development in South Asia (1969) and Political Commitment and Rural Development FAO (1979).

Mr Obaidullah Khan was appointed Secretary Ministry of Agriculture and Forests in 1978.

He was appointed Adviser on April 6, 1982. He had been serving as Secretary of the Agriculture Ministry before his appointment as Adviser.

He is married and has two sons and one daughter.

EXPORTS REPORTED FALLING SHORT OF TARGET

Dacca THE NEW NATION in English 6 Apr 82 pp 1, 8

[Article by Hassan Abul Quasem]

[Text] Various constraints have adversely affected the export trade of the country in the current fiscal year.

The major constraints which were pointed out in a paper prepared in the middle of the last month by the Commerce Ministry included, among others, failure in providing finance to the import of raw materials due to shortage of foreign exchange, high rate of interest on borrowing as well as margin restriction on bank credit to commercial importers and preference given by the banks and other financial institutions to import financing instead of export financing.

Absence of cold storage facilities at the airport and seaports were causing damage to to the perishable items at the exit point.

Besides the drastic drop in the premium rates and the lower demand of IEC has put the non-traditional sector in state of disarray and inadequacy of aircargo and shipping spaces to various destinations have severely told upon export trade, particularly in the case of perishable items.

It may be pointed out that during the first seven months of the current fiscal year the export earnings of the country stood at Tk. 725.86 crore while the annual export target was fixed at Tk. 1500 crore for the fiscal year.

Export earnings in the July-January period of the current fiscal year were Tk. 51.12 crore above that of the corresponding period of the last fiscal year. The swollen figure of earnings was mainly due to devaluation of taka by about 20 per cent effected through a series of adjustments from the beginning of the current fiscal year.

According to the review of the Commerce Ministry, the volume of export increases in jute goods, leather, frozen food etc. while earnings on account of their export did not increase proportionate to the upswing in volume because of the international recession and its effect on the price of primary goods.

However, satisfactory export performance was recorded in the case of ready-made garments and handicrafts.

The export of jute goods was targetted at an income of Tk. 1000 crore in fiscal 1981-82, but the achievement in the July-January period shows its poor performance as evident from the sum of earnings which is Tk. 151.21 crore less than the average target for the first seven months calculated at Tk. 583.33 crore.

Considering better performance in the export of handicrafts and leather two separate cells were set up as a part of the programme to give high priority to them.

The Jute Ministry submitted a report in last February on the required fiscal incentives for promoting the export of jute and jute goods.

Some suggestions were made in the mid-March report of the Commerce Ministry to combat the situation in the export field.

The Ministry called for adoption of a credit policy and programme with a view to meet the credit requirements of export trade.

In view of the lack of competitive atmosphere in international market credit facilities have been sought at special concessionary rate of interest with pre-shipment credit facilities for 180 days for the exporters of frozen foods, tea, leather, handicrafts etc.

The Ministry also emphasized the need for opening of export-import branches of the nationalised banks at Dacca and in other divisional headquarters in the interest of the exporters.

Besides, the Ministry suggested for taking immediate steps to accelerate the finishing process of hides and skins in Bangladesh to export the same in value added form and to extend all possible incentives to establish finishing industry. It has also proposed for constituting a tea export strategy committee to study the problems of tea industry and to suggest promotional measures for increased of export of tea.

CSO: 4220/7107

PUBLIC SECTOR PRODUCTION FALLS IN FEBRUARY

Dacca THE NEW NATION in English 5 Apr 82 pp 1, 8

[Text] Production level of various public sector industries suffered a bad fall in February.

The performance was bad enough in January, but that was nothing compared to the February low.

Production of jute goods was recorded in February at 43 thousand tons as against 47 thousand tons in January and 18 thousand tons in the corresponding month of last fiscal year. Yarn produced in February was 72.84 lakh pounds as against 87.39 lakh pounds in January and 96.21 lakh pounds in February of 1981. February production of cloth was 50.23 lakh yards as against 66.88 lakh yards in January and 67.08 lakh yards in February of 1981.

The quantum of cement, steel ingot, sugar, soap, frozen shrimps and froglegs produced in February was 26,000 tons, 10,000 tons, 39,000 tons, 1280 metric tons and 94 lakh pounds respectively as against 29,000 tons, 12,000 tons, 45,000 tons, 1876 metric tons and 101 lakh pound in January and 33,000 tons, 12,000 tons, 34,000 tons, 1880 metric tons and 0.68 lakh pounds in February last year.

However, the production of tea and fertilizer recorded slight improvement in February.

Compared to January the production of jute goods in February registered a decline by 8.52 per cent, yarn by 16.65 per cent, cloth by 24.90 per cent, cement by 10.35 percent, steel ingot by 16 67 per cent and sugar by 13.34 per cent.

However, the cumulative production achievement during the July-February period showed a slight improvement over that of the corresponding period of last fiscal year.

Concerned circles fear that if the present production trend continues the situation would soon get out of hands.

According to the official reports, the production of jute goods declined mainly due to the fall of demand of the carpet backing cloths in the international market, labour unrest and frequent power failure.

In the case of yarn the downward trend in production is attributed to the erratic power supply and high rate of workers' absenteeism. Shortage of cement clinker and overhauling of Chatak cement factory were cited as factors responsible for the fall in the production of cement.

The production of tea and frozen shrimps and froglegs went down because of the slack season of their production.

CSO: 4220/7105

OFFICIAL REVIEWS PERFORMANCE OF PUBLIC SECTOR

Dacca THE NEW NATION in English 3, 5 Apr 82

[Article by A. B. M. Ghulam Mostafa, Secretary, Ministry of Industries, Government of Bangladesh]

[3 Apr 82 p 7]

[Text] Bangladesh is primarily an agricultural country where the contribution of the industrial sector to G.H.P. is only about 9 per cent. Although industry comprises a small segment of the economy, we consider it as the most dynamic instrument of economic development, an essential tool for fighting the scourge of poverty and unemployment. Even for our agricultural development, badly needing modernization and scientific application of inputs, the industrial sector will and must assume a larger role in the years ahead. Our Second Five-Year Plan which began on July 1, 1980 aiming at bringing about a noticeable improvement in the quality of life of the people, amply reflects these perceptions and commitments.

The Government's industrial policy is aimed at achieving maximum regional growth, increasing exports of manufactured goods, substituting of imports by locally manufactured goods, and generating employment.

Our industrial strategy developed during the last few years through a process of trial and error is now based on pragmatism to ensure optimum utilization of our resource potential, offering adequate opportunity to both the public and the private sectors. The shift has been gradual, but decisive.

Since independence the public sector has come to play a dominant role in national economy. Its scope was widened by the nationalisation of major industries and by the objective necessity that the private sector had been historically dependent on the support from the public sector. Public sector constituted about 75 percent of the assets of the organised industries. Therefore, for the purpose of control, supervision and co-ordination of the nationalised and takeover enterprises and for the establishment and development of new industrial enterprises Government re-organised the public sector and constituted the sector Corporations.

The industries programme is designed to promote and support expansion in food, agricultural output through increasing supplies of essential agricultural inputs, equipment and development of agro-based and agro-support industries. It also aims at increasing the production of essential consumer goods like cloth, medicine, paper etc.

Industrial Development : The industrial strategy is designed to maintain appropriate linkages with agriculture. The main emphasis is on agro-support and agro-processing industries. All these industries will be developed at close proximity to the rural communities so that there is increasing employment opportunities in the rural areas. Development of a chain of Growth Centres in rural areas where all types of public services can be economically made available in the interest of rural industries and communities, will be a significant feature of the industrial programme.

Rapid expansion of employment opportunities is an important objective of industrialisation. Development of small and rural industries is an obvious way of attaining this goal. In general these industries employ more labour. Along with the number, the productivity of the employed workers will require serious attention as reward to labour depends on productivity.

In the short run the emphasis on the development of agriculture where large potential is yet untapped is decisively a rational choice. It cannot, however, be overlooked that the long-term economic interest of the country lies in the acceleration of the pace of industrial development for both employment expansion and structural transformation. In order to increase our capacity to import more and to diversify export earnings, Bangladesh has to establish export-oriented industries. The industrial base will also require to be further deepened with greater emphasis on the development of engineering, metallurgy heavy chemicals, etc.

There will be greater scope for private initiative in the industrial field. The progressive liberalisation of the industrial policy since mid seventies has created a favourable climate for private investment. It will, however, be necessary to complement private initiative further particularly by strengthening public sector enterprises linkages with the private sector. Rural bias in the industrial programme will provide further fillip to the private entrepreneurs. The nationalised enterprises of certain sectors will be increasingly disinvested. Due to fund constraints some projects earlier scheduled to be developed in the public sector, have now been transferred to concurrent list and private sector. These projects are sponge Iron and Steel Complex, Alloy Steel Plant, Electrical Cable and Conductor, Aluminium extrusion plant, Steel Strip Mill Nodular cast Iron Plant, Meter Mfg. Plant Brass and copper steel Rolling Plant, Laboratory and Workshop equipments, Fruits and Vegetable Processing Units, Sylhet/Rajshahi, Second Distillery, Polyester, DDT & Chemical Complex, Glass Sheet, Soda Ash, Methanol Plant etc.

[5 Apr 82 p 7]

[Text]

Our Second Plan Strategy for industrial development and growth revolves round, among others,

the following basic principles :
a) Develop local capacity for supply of basic inputs necessary

for doubling food production:

b) Develop agro based industries for processing of increased agricultural output:

c) Develop and encourage export oriented industries;

d) Develop labour oriented and import substitution industries to generate employment and reduce pressure on scarce foreign exchange resources and

e) Develop industries to produce the basic needs of the people.

It is expected that during the Second Plan, the industrial sector growth rate will contribute 10.9 percent to the GDP in the terminal year i.e. 1984-85.

Bangladesh recognizes that foreign investment can play an important role to accelerate our industrial progress. For protecting the interest of foreign investors an ACT on Foreign Investment (Promotion and Protection) has been passed by our Parliament. Government is setting up three Export Processing Zones to attract specially foreign investors. There is no hard and fast rule on the ratio of foreign investment. However, it is expected that the foreign investment shall cover the foreign exchange requirement of the Project. The sectors are wide open for the foreign investors.

Establishment of Export Processing Zones have been found suitable for conditions of Bangladesh for development of export oriented industries by attracting foreign capital and widening its industrial base in view of developed infrastructural facilities and abundance of cheap, trained and easily trainable labour force. The cost of labour in Bangladesh is still one of the cheapest in the world. The Government of Bangladesh have therefore, decided to establish Export Processing Zones in the port cities of Chittagong and Khulna and an air-based zone close to the Capital, Dhaka. The country's first zone has been established in Chittagong.

Identification of programmes for 1982-83 in the public sector showing financial and technical support: On-going projects including those likely to be completed within the year 1982-83, shall be given priority for developing in the public sector. These Projects are Potash Urea Fertilizer Project, Rehabilitation Programme of the existing three fertilizer factories, Chittagong Urea Project, Sylhet Pulp and Paper Mills, BMR of KPM and KNM, Bangladesh Insulator and Sanitary Ware Factory, Karnaphuli Rayon Complex (Staple Fibre), Road Development and Bamboo Extraction, Expansion of BMTF, BMR of Bangladesh Diesel Plant, Fruits and Vegetable Processing, Rice Bran Oil extraction Plant, Seed Multiplication and Research Farm, Expansion of Carem Distillery, Expansion of Mobarokgonj/Rajshahi Sugar Mills, Modernisation of Sugar Mills, Farms, Development of Rural Industries, Pilot Project, Integrated Programme for Credit supply to rural industries and Women Entrepreneurship Development. During the FY 1982-83 the Programme of implementation of these projects may involve a total amount of Tk. 2314 million (\$ 116 million) including project assistance of Tk 1386 (\$ 69 million). In the meantime commitments have been received and under process for Project Aids from the countries and organisations like China, Saudi-Arabia, USSR, France, USA, Netherlands, Denmark, Pakistan, FRG, UK, Japan, Australia, Czechoslovakia, Belgium, IDA, UNIDO, SIDA, DANIDA, UND/UNCDF, US-AID, CIDA, ADB. For implementation of the aforesaid projects technical assistance is likely to be forthcoming from the countries and organisations like China, Netherland, FRG, Czechoslovakia, Japan, Belgium, Australia, India, UK, Denmark, Pakistan, UNDP, ILO, TCDC, CFTC, DANIDA and US-AID.

ADP.

Besides the on going projects new but priority projects are also likely to be included in the ADP 1982-83. These are Sponge Iron Plant, BMR of CSM, BMR of Khulna Shipyards, BMR of Dockyard, and Engineering Works Ltd. Dacca Leather Complex, BMR of NBFM, Cattle Feed, BMR of two Sugar Mills, Integrated Metal Working Small Industries Extension Training Institute. The programme of implementation of these project during the FY 1982-83 shall involve a total cost of Tk. 1554 million (\$ 77.7 million) in-

cluding Project-Aid of Taka 1065 million (\$ 53.25 million). Project Aids and Technical assistance for these projects are likely to be forthcoming from the countries and organisations like Netherland, Japan, Australia, France, FRG, Belgium, India, UK, Norway, Switzerland, Austria, SIDA, IDA.

Performance of the public sector under the Ministry of Industries during July-December, 1981 :—In terms of physical production, the position of major items in relation to the corresponding period of the last year is stated below :

Items	Unit	Actual production during July-December, 1981.	Position of the corresponding period of last year.	Increase/Decrease over July-Dec. 1980.
Paper	Ton	15,146	13,191	13
Newsprint	"	23,671	22,030	7
M.S. Billet	"	50,119	39,894	26
Sugar	"	58,688	45,208	30
Frozen fish & Frog leg	Lac Lbs.	19,81	18,04	24
PVC Compound,	Ton	136	178	(-24)
Vegetable Ghee	"	3350	2157	55
Soyabean Oil	"	8060	4928	64
Sheet Glass last Sft.	"	50,82	31,82	64
Safety matches L Gross	"	36,90	30,36	22
M.S. Rods & Sections L.Gross	"	30,336	25,682	18
Molasses	Ton	23,008	17,478	31
Steel ingots	"	52,287	57,748	(-9)
G. I. Pipes	"	7,243	4,473	19
Electric Cables	"	837	1,104	(-22)
Ceiling Fan	No.	17,000	15,800	11
Fertiliser	Ton	149,783	177,301	(-9.72)

The overall performance in relation to the corresponding period of the last year is encouraging. Moreover, in production of some major items the achievements towards targets are satisfactory. In some sectors the targets exceeded in production of ammonia sulphate, paracetamol, caustic soda, glass sheets, matches, detergent, liquid chlorine, sugar, soyabean oil, meal powder, production/repair of water transport, buckets. Besides them,

more than 80% target reached in production of M.S. Billets, G.I. Pipes, Tube light, Super enamel copper wire, Transistor, Radios, Ceiling Fan, Decorated can, Urea, T.S.P Paper, Newsprint, Diphase (Cellophane paper), Dry Cell Battery, Cosmetics, PVC Compound Liquid medicines, Foam rubber Hydro chloric acid, spirit, and Alcohol, Pharmaceuticals, Biscuit & Bread and soft drinks.

(Concluded)

GOVERNMENT NOT TO INTERFERE IN FOOD TRADE

Food Ministry Official

Dacca THE BANGLADESH OBSERVER in English 13 Apr 82 p 1

(Text)

Air Vice-Marshal (Retd) A.G. Mahmud, Adviser-in-Charge of the Ministry of Food, said on Monday that the Government has no intention to interfere with the normal food trade. He said the honest traders were free to trade without any fear according to an official source in Dacca on Monday.

He was talking to leading food traders of Dacca city who came to meet him this afternoon at his office chamber. The Adviser said the policy of the present Government was to activate the normal food trade in the country to keep the flow of food supply uninterrupted. The traders assured the Adviser that the prices of foodgrains would come down immediately.

The Adviser explained to them the various measures taken to create healthy and good atmosphere in the food market by restoring normal food business in the country. He said the measures were aimed at streamlining the distribution systems movement of foodgrains and their supply through open market sale and

marketing operation involving the private traders.

The traders present in the meeting appreciated the Government measures and termed it timely and appropriate. They said if the measures were not taken timely the food situation would have worsened causing sufferings to the people. They said that the supply of foodgrains to the market has considerably improved and the downward trend of prices will continue. They further said that the price will further come down with the harvest of Boro and IRRI which have already been started in some parts of the country.

The Adviser said in the recent past there were shortages of foodgrains in the market. The Government has successfully overcome the situation. "At present there is adequate food in the Government stock and more are in the pipe line and there is no shortage of food in the country," he said.

He assured the traders all possible assistance to remove hurdles if any one the way of free food trade in the country.

No Local Curbs

Dacca THE BANGLADESH OBSERVER in English 13 Apr 82 p 1

(Text)

The Martial Law authorities have directed all concerned to remove immediately local restrictions or impediments imposed on the movements of foodgrains throughout the country, according to a PID handout.

An announcement by the CMLA's Secretariat on Monday night says the directive

was issued in order to stabilize the prices of foodgrains all over the country.

The Martial Law directive asked all concerned to attach top priority to the movement of foodgrains by road rail and waterways. It, however, called for strict vigilance to guard against smuggling across the border.

POLICY DIRECTIVES TO PROTECT LOCAL INDUSTRY

Dacca THE BANGLADESH TIMES in English 11 Apr 82 p 1

[Text] The Government announced on Saturday an 8-point policy directives to promote and protect local industries with provisions to ban import of goods locally produced and sufficient to meet domestic needs, reports BSS.

The directives issued by the Ministry of Industries said: where goods produced in the country are sufficient to meet the country's needs, all imports of these items should be banned, after careful examination of the level of country's demand.

The Ministry also announced that a high-level committee was being set up to monitor the progress of implementation of the objectives as laid down in the directives.

The following is the text of the directives:

1. Where goods produced in the country are sufficient to meet country's needs all imports of these items should be banned, after careful examination of the level of country's demand.
2. Procurement agencies of the Government/autonomous bodies should obtain the right to refusal from the Ministry of Industries before they can place orders for their requirements with the foreign suppliers.
3. In terms of price, quality and specifications, the locally produced goods must endeavour to be competitive and acceptable to the procurement agencies.
4. Where it is proved that duties and taxes levied on imported finished goods are lower than those levied on imported raw materials, components and spare parts required for the same and similar finished goods, then these should be rationalised so as to bring them at par with or below those levied on the imported finished goods.
5. While negotiating aids, loans and grants for projects and commodities, no provision should be kept for import of those goods and services which are produced and available in adequate volume to meet the domestic demands or, for which capacities exist in the country. Instead of procuring finished

products, built-in provisions should also be ekpt in the agreements and contracts to permit utilisation of aids, loans and grants for procurement of raw materials, spares, consumables, etc. for local fabrication.

6. Stringent specifications, even where lesser ones can serve the purpose, are often designed to disqualify locally produced goods, limiting thereby the sources of procurement. All procurement agencies of the Government will be required henceforth to prepare specifications in a manner which will enable local products to qualify.

7. Where supplies of locally manufactured goods, due to inadequate installed capacities, fall short of country's requirements, additional capacities should be set up on priority basis. These items should be identified for necessary follow-up action.

Imports of goods into the country should be regulated as to ensure that similar goods of local origin are not priced out of market. Both the fiscal policy and the quantum of imports will have to be coordinated with the level of local production so that no shortage is created within the country.

To monitor progress in the implementation of the objectives listed above a high level monitoring committee is being setup.

CSO: 4220/7116

SOVIET, PRC, PLO, OTHER LEADERS GREET ERSHAD

Dacca THE BANGLADESH OBSERVER in English 28 Mar 82 pp 1, 12

[Text] More leaders of different countries on Saturday felicitated Lt. Gen. Hussain Muhammad Ershad, Chief Martial Law Administrator and Commander in Chief of Armed Forces on the Independence and National Day of Bangladesh, reports BSS.

Soviet President Leonid Brezhnev has sent a message of felicitations and best wishes to the Chief Martial Law Administrator, Lt. Gen. Hussain Muhammad Ershad, on the occasion of observance of National and Independence Day of Bangladesh.

In his message, the Soviet President expressed his confidence that the relations of friendship and cooperation established between the USSR and Bangladesh would be further developed to the benefit of the peoples of the two countries in the interests of strengthening universal peace.

Following is the text of the message:

His excellency Lt. Gen. H. M. Ershad, Chief Martial Law Administrator of the Peoples Republic of Bangladesh".

"On the occasion of the National Day and the Independence Day of the Peoples Republic of Bangladesh, please accept my congratulations and best wishes to the friendly people of Bangladesh".

"I express my confidence that the relation of friendship and cooperation established between the USSR and Bangladesh will be further developed to the benefit of the peoples of our two countries, in the interest of strengthening universal peace".

Chairman Ye Jianying and Premier Zhao Ziyang of China in a joint message have felicitated the Chief Martial Law Administrator Lt. Gen. Hussaid Muhammad Ershad, on the occasion of Independence and National Day of Bangladesh.

Following is the text of the message:

"On the occasion of the Independence Day of the Peoples Republic of Bangladesh, we wish to extend, on behalf of the Chinese government and people and in our

names, our warmest congratulations to your excellency and the government and people of Bangladesh.

"China and Bangladesh are friendly neighbours tied with traditional friendship. We are confident that with joint efforts of our two governments and peoples Sino-Bangladesh friendship will surely be consolidated and strengthened strengthened"

"May the Peoples Republic of Bangladesh enjoy prosperity and its people well-being".

PLO Chairman Yasser Arafat in his message of felicitations to General Ershad said "by the name of our Arab people of Palestine, by the name of members of PLO Executive Committee by the name of Palestinian revolutionaries and on my behalf I avail this opportunity to convey to you our heartiest greetings and felicitations on the occasion of 11th Independence Day of Bangladesh.

The message added "I express my heartiest feeling for your personal health and prosperity and progress to the brotherly people of Bangladesh and hope that existing brotherly relationship will further develop between the two peoples to achieve the aim of Islamic nation to liberate the occupied Palestine including Holy Jerusalem".

Yasser Arafat concluded his message saying "revolution till victory".

Ceausescu

President Nicolae Ceausescu of Rumania in his message conveyed his congratulations and best wishes to General Ershad for progress peace and welfare to the friendly people of Bangladesh.

President Ceausescu expressed the confidence that the mutually advantageous relations between the Socialist Republic of Romania and People's Republic of Bangladesh would be further expanded in the future to the mutual benefit of the two peoples for the cause of peace independence development detente and cooperation throughout the world.

The Chairman of the State Council of the People's Republic of Bulgaria conveyed his congratulations and wishes for progress and well being of the people of Bangladesh for further development of relations between the two countries.

Sultan Hazi Ahmad Shah the paramount ruler of Malaysia and Queen Permaisuri Agong conveyed warmest greetings and best wishes to Gen. Ershad for the progress and prosperity of the People's Republic of Bangladesh and for his (Ershad) good health and personal well-being.

President Truong Chinh of Vietnam extended his congratulations to General Ershad and the people of Bangladesh.

President Chinh hoped, 'may the people of Bangladesh record more and greater achievements in the cause of building a prosperous country and a happy life'.

He also hoped unceasing consolidation and development of the friendly relations between the peoples of Vietnam and Bangladesh.

The Vietnamese President conveyed his best wishes for the good health of General Ershad.

Ziaul Haq

PIT reports from Islamabad adds: President Gen Ziaul Haq has extended sincere greetings and warm felicitations to Lt. Gen. H.M. Ershad, Chief Martial Law Administrator of Bangladesh, on the occasion of observance of National and Independence Day.

Gen Haq who is also the Chief Martial Law Administrator of Pakistan conveyed to General Ershad his "best wishes for your excellency's health and happiness and for the continued progress and prosperity of the brotherly people of Bangladesh.

Thapa

Nepalese Prime Minister Sur ya Bahadur Thapa conveyed his best wishes for the happiness progress and prosperity of the people of Bangladesh.

The message of Prem er Tha pa sent to General Ershad said "on the occasion of the 11th anniversary of the Independence and National Day of the People's Republic of Bangladesh we extend to your excellency our best wishes for the happiness, progress and prosperity of the people of Bangladesh".

Wangchuk

King Higma Singye Wangchuk of Bhutan has sent a message to Chief Martial Law Administrator Lt. Gen. Hussain Muhammad Ershad on the occasion of Independence and National Day of Bangladesh.

In his message, the Nepalese King conveyed his warmest wishes to the Chief Martial Law Administrator and to the government and people of Bangladesh on this occasion

He also conveyed his best wishes for the continued progress and prosperity of the friendly people of Bangladesh.

CSO: 4220/7089

COUNCIL APPROVES BANGLA-SAUDI PLAN, OTHER MATTERS

Dacca THE BANGLADESH TIMES in English 3 Apr 82 pp 1, 8

[Text] A meeting of the Council of Advisers was held on Friday at the Chief Martial Law Administrator's Secretariat at Old Jatiya Sangshad Bhaban in two sessions which continued for six hours, reports BSS.

The Chief Martial Law Administrator and Chief of Bangladesh Armed Forces Lt. Gen. H. M. Ershad was in the chair. The activities of several Ministries were presented in details by the respective Advisers and various steps were discussed to streamline the Administration.

The question of abandoned properties was discussed at length. The Chief Martial Law Administrator directed that the whole situation in this regard should be examined immediately to prevent widespread corruption and misuse of power and if necessary the matter be dealt with under Martial Law.

The issue of manpower utilisation and employment abroad also came up for detailed discussion. It was decided that the subject should be examined immediately in view of the substantial income of around taka 600 crores in foreign exchange earned annually from the sector and the several bottlenecks caused by corrupt practices.

The question of institutionalizing the sector through extension programmes including the training of skilled personnel was also discussed. It was decided that the sector would be given high priority and any malpractices be dealt with Martial Law.

Saudi-Bangla Joint Investment

The Council approved in principle the proposal for establishment of a Saudi-Bangladesh Joint Industrial and Agricultural Investment Company with headquarters in Dacca. The Company will be established with an initial capital of Saudi Riyal 200 million. Saudi Riyal 100 million will be contributed by Saudi Arabia in Saudi currency while the rest 100 million Riyal will be contributed by Bangladesh Government in Taka. It may be mentioned that this proposal for the joint investment company was under consideration of the Bangladesh Government since 1978 but the Government was unable to take any decision in the matter.

The company, when established, is expected to augment the volume of investment in private sector in the fields of industry and agriculture.

The Council also examined the existing laws of requisition and acquisition of properties and considered the question of making provision for amendment and consolidation of these laws with a view to removing the present weakness and lacuna in the law that have been creating difficulties for the people whose lands have been acquired.

The proposed measure is also designed to achieve expeditious acquisition of land to cope with the increased requirement of development activities.

CSO: 4220/7100

STATEMENT ISSUED ON WEST BANK TERRORISM

Dacca THE BANGLADESH OBSERVER in English 31 Mar 82 p 1

[Text]

Bangladesh is deeply shocked and concerned at the continuing monstrous acts of repression and terror by the Israelis in the occupied territories of West Bank. A Foreign Office statement said on Tuesday, reports BSS.

It said the deliberate policy of annihilation and destruction that Israel had been pursuing to negate the legitimate rights of the Palestinians to a homeland was without any parallel in its barbaric proportions.

Bangladesh condemns such wanton disregard of the UN Charter and all canons of international laws and norms by the Zionist entity and regards such illegal acts as gross violation of human rights thereby posing a serious threat to global peace and security.

Dacca expresses its deepest sympathy at the killing of innocent Arabs and reiterates firmly the country's solidarity with the Palestinian and Arab brothers in their just struggle for realising their legitimate and inalienable rights.

Bangladesh will continue its total support to every measure along with all the peaceful nations to effectively thwart the heinous Zionist designs against the just cause of the Palestinians and the Arabs the statement concluded.

Ap-11 2 day of solidarity

UNA adds from Jeddah: Islamic states were on Tuesday urged to observe coming Friday April 2 as a day of solidarity with the Jihad of the people of occupied Palestine.

The call was given by Secretary-General Nabeel Chatti of the Organisation of the Islamic Conference who said Islamic states must mobilise all their material, political and moral potentials in support of the steadfastness of the Palestinians in the occupied lands.

On the occasion Friday sermons in mosques should be devoted to arousing the people of the grave happenings in the occupied Palestine and to calling for unity of Islamic ranks to rid the Palestinians of the Israeli yoke and to salvage Al-Quds.

Mr Chatti hoped that people of other diving religions would join the condemnation of the Israeli crimes against the Palestinians and the Zionist violations of the holy places.

Mr Chatti paid tributes to the "heroic national uprising" in the occupied lands against Israeli attempts to impose so-called civil administration a prelude to annexation of the West Bank and Golan Strip.

He said the grave events in the occupied lands had stirred deeply the conscience of the Islamic Umma. "We salute the resistance put up by the Palestinian people and their courageous stand against the barbaric Israeli militarism".

Recalling the efforts that have consistently been made to secure rights through the United Nations, Mr Chatti said that the Islamic nations would never retreat from its just demands of the racist occupation of Palestinian lands including Al-Quds without any conditions.

He underlined that the western powers which had been supporting Israeli terrorism had a great responsibility for what was happening in occupied Palestine.

Mr Chatti has addressed a cable to Arab League Secretary General Chadi Qudabi on the occasion of the emergency meeting in Tunis of the Arab Foreign Ministers.

He urged the Arab states to overcome marginal differences close ranks and harness all energies to support the Palestinian peoples' struggle for national independence under the leadership of the PLO.

COUNCIL OF ADVISERS DISCUSSES PARIS MEETING ISSUES

Dacca THE BANGLADESH OBSERVER in English 11 Apr 82 p 1

[Text] The Council of Advisers to the Chief Martial Law Administrator met in a special session at the CNLA's Secretariat in Dacca on Saturday morning and discussed the issues relating to the forthcoming three-day Bangladesh Aid Group meeting beginning April 20 in Paris, reports BSS.

The Chief Martial Law Administrator Lt Gen. H M Ershad, presided over the session.

The Adviser-in-Charge of the Ministry of Finance and Planning gave a review of the economy and also outlined what should be done in the coming years.

The Council considered the issues of :

I) Fiscal and budgetary realism that will promote production and hold inflation under control;

II) Improvement in project implementation and aid utilisation that will help resource generation and ease balance of payment problem;

III) Mobilisation of domestic resources through measures like improvement and rationalisation of tax administration improvement in the performance of public enterprises and rationalisation of transfer payments;

IV) Accelerated food production and stabilisation of food prices;

V) Energy development programme and priorities;

VI) Improvement in population control activities and

VII) Investment in rural development.

Winding up the discussion and finalising the brief for the Bangladesh team which is proceeding to the Aid Group meeting in Paris, the CNLA spelt out five main economic targets of the present Government.

The targets are:-

I) To achieve a growth rate of seven per cent;

- II) To prevent wasteful expenditure in the public sector;
- III) To encourage private investment.
- IV) To achieve self-sufficiency in food and
- V) To undertake effective and realistic measures for population control.

The CMLA concluded by saying that mismanagement in the past and deferment of important decisions have imposed severe strains on the economy. Losses of public sector and Government operations have been placing inflationary burden on the people, he said.

General Ershad said, the Armed Forces had to intervene to save the situation. Over the past two years problems have accumulated steadily while effective steps have been avoided.

The CMLA said that his Government was determined to tackle these inherited problems with realism and that he had no doubt that the measures which the Government had already initiated would restore its credibility and confidence both at home and abroad.

He expressed the hope that the Aid Group would appreciate the efforts of the new Government and come forward with the required assistance.

General Ershad urged that the problem of food production and supply should be treated on a priority basis. He also underscored the need for balance of payment support for the economy for its healthy growth.

The Advisory Council discussed at length the country's import policy and the need to examine the extent to which wasteful imports can be contained and regulated.

The Adviser for Industry and Commerce will be placing concrete proposals before the Council in this regard within a few days.

CSC: 4220/7114

BANGLADESH, FRANCE SIGN FINANCIAL PROTOCOLS

Dacca THE BANGLADESH OBSERVER in English 11 Apr 82 p 1

[Text] Two financial protocols--one normal and the other special--were initialled in Dacca on Saturday between Bangladesh and France, according to a PID handout issued on Saturday.

Under these two protocols France will provide FF 235 million (approximately Tk. 70 crores 50 lakh) to Bangladesh for financing various development projects and the import of commodities. France has also made a commitment to provide 14 thousand tons of wheat to Bangladesh for the year 1982.

The protocols were initialled by Mr. Shafiul Alam, Additional Secretary, ERD, Ministry of Finance and Planning and the leader of the Bangladesh delegation, and Mr. Jean Claude Trichet, Deputy Director, French Treasury and leader of the French delegation.

The French delegation which arrived in Dacca on Wednesday, will leave today (Sunday). Apart from holding bilateral talks with the officials of ERD the delegation also met the Secretary, ERD.

It may be mentioned that France has so far provided FF 825 million (approximately Tk 247 crores 50 lakh) to Bangladesh. Food aid so far provided by France to Bangladesh comes to 94500 tons of wheat. French assistance has been utilized for Shahjibazar Power, Station, Eastern Refinery, Zia International Airport, Bangladesh Machine Tools Factory, LP-G Recovery Plant, Goalpara-Ishurdi Transmission Lines, Dredgers, Ashphaltic Bitumen Plant, ship etc.

CSO: 4220/7114

ERSHAD SENDS MESSAGE TO ISLAMIC INSURANCE PARLEY

Dacca THE BANGLADESH TIMES in English 2 Apr 82 pp 1, 8

[Text] Chief Martial Law Administrator Lt. Gen. H. M Ershad on Thursday said that Bangladesh had always been an ardent advocate of greater economic cooperation and increased trade relation among the Muslim countries for attaining the cherished unity, progress and prosperity of the Islamic world at large.

In a message to the first three-day expert group round table meeting of Islamic countries on insurance and re-insurance which began on Thursday at a local hotel, Lt. Gen Ershad said that the hosting of the expert group meeting in Dacca was another eloquent testimony of this keenness of Bangladesh.

The CMLA said that since insurance played a vital role in modern economy, the importance of this meeting in the backdrop of the present day economic crisis world over could hardly be exaggerated.

Gen Ershad said that he was confident that the meeting besides achieving its set objective or finding out the solution of the various re-insurance problems of the Muslim states, would be immensely helpful for furtherance of the spirit of Islamic brotherhood and consolidation of the ties among the Muslim states.

CSO: 4220/7099

ISLAMIC INSURANCE MEET RECOMMENDATIONS REPORTED

Dacca THE BANGLADESH OBSERVER in English 4 Apr 82 pp 1, 12

[Text] The visiting expert group of the Islamic countries on insurance and reinsurance called on the Chief Martial Law Administrator Lt. Gen. H. M. Ershad in Dacca on Saturday, reports BSS.

During the meeting the CMLA exchanged ideas with the members of group and appreciated the mutual cooperation of the Islamic countries in various fields.

Gen. Ershad expressed the hope that the cooperation among the Islamic countries will not remain limited, but will be further expanded for the common welfare of the Islamic nations.

Meanwhile the expert committee roundtable meeting of the Islamic countries on Saturday unanimously adopted a report on the formation of Islamic Reinsurance Corporation.

While adopting the report at the final plenary session the committee made a strong recommendation to the Organization of Islamic Conference (OIC) for approving the establishment of reinsurance Corporation Mr. A.M. Zahiruddin Khan leader of Bangladesh delegation and Chairman of the plenary session presided over.

Mr. Matiur Rahman Secretary Ministry of Commerce Dr. Ashraf uz-Zaman Director Economic Affairs Department OIC and Mr Sami C. Onaran Secretary-General Islamic Chamber also spoke at the final plenary session.

The expert level meeting was split into 5 working and 2 plenary sessions. About two dozen delegates from 71 countries participated in the first expert group meeting of the Islamic countries on insurance and reinsurance that had begun in Dacca Thursday.

The draft report was presented by the leader of the Malaysian delegation and Chairman of the Drafting Committee Mr. Yahaya bin Haji Besah. The Gambian delegate proposed the adoption of the report, while Pakistan, Iran, Iraq, Malaysia, Bangladesh, Qatar and Algeria seconded the move.

The proposal for cooperation among the Islamic countries in the field of insurance and reinsurance was first voiced by Bangladesh at the conference of

Islamic Chamber of Commerce and Industry held in Pakistan in 1978. The detailed study on the subject was conducted by Sadharan Bima Corporation of Bangladesh.

The report for formation of Islamic Reinsurance Corporation will now be reviewed and examined at the 9th session of the Islamic Commission for Economic, Cultural and Social Affairs at its meeting at Jeddah on 26th April. Dr. Ashraf-ur-Zaman told the concluding session.

He said the recommendations of the Jeddah meet will be placed before the 13th Islamic Foreign Ministers' Conference scheduled to be held in the first week on June in Niamey (Niger Republic) for final approval.

Dr. Zaman said with the formation of Reinsurance Corporation the three pillars of economic cooperation among the OIC members will be completed. The organizations for cooperation among Muslim countries in the field of banking and shipping have already been made, he added.

Mr. Sami C. Onaran described the expert group meeting as a "historic event" and said it has created a sound basis for the establishment of an Islamic institution. He observed that the Corporation would be beneficial for the entire Islamic world.

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Mr. Matiur Rahman said the proposed Islamic Reinsurance Corporation has great potentialities because of the tremendous amount of resources available among the Muslim countries. He hoped this would be a major institution in the field of reinsurance throughout the world.

Mr. Zahiruddin Khan said, the Islamic countries stretching from Morocco to Indonesia having a population of 800 million constitute a vast market to exploit in the field of insurance for the benefit of the member countries of OIC. He hoped the Corporation would help counter the pressure of traditional reinsurance in the developed countries and safeguard the interests of Islamic nations. He observed that the Islamic Reinsurance Corporation would compliment global reinsurance capability and ease the reinsurance business which is under pressure because of world inflation.

The expert group in its meeting on Friday recommended authorised capital of 200 million US dolalrs and paid up capital of nearly 50 million US dollars, in phases, for the proposed Reinsurance Corporation.

Mr. Khan told newsmen at an informal briefing after the meeting that the countries joining the Corporation will have an ordinary share of one million dol-lars having voting right. The members will be able to have an additional share of 4 million dolalrs which excludes voting power, he added.

CSO: 4226/7101

UN DELEGATE SPEAKS IN DEBATE ON WEST BANK

Dacca THE BANGLADESH OBSERVER in English 5 Apr 82 p 8

[Text] UNITED NATIONS. April 4:--Bangladesh has urged the Security Council to ask Israel in firm and clear terms to put an end to its brutal repressive measures against the unarmed civilian population of the occupied Arab and Palestinian territories, reports BSS.

Making a statement at the Security Council debate on the situation in the occupied Arab territories on Thursday the acting permanent representative Mr. Farooq Sobhan also requested the Council to ask Israel to rescind forthwith its decision to dissolve the El-Bireh Municipal Council which was duly elected.

Mr. Farooq Sobhan said Bangladesh in confirmity with the UN Charter would like to reaffirm the inadmissibility of the acquisition of territory by force. He also reaffirmed that only Geneva Convention of 1949 can apply to the occupied Arab and Palestinian territories.

The Bangladesh representative described his country's stand on the Middle East question as unequivocal and consistent and said it was not based on political expediency. He said Bangladesh's position stems from its firm belief in the principles and purposes of the charter of the United Nations. It is founded on our enduring commitment to the cause of the charter of the oppressed peoples all over the world struggling to free themselves from the bondage of colonialism aggression and exploitation, he added.

The acting permanent representative said that Bangladesh viewed the essentials of any meaningful peace plan in the Middle East as a composite whole as a comprehensive settlement-every part thereof being integrally related to the other. Bangladesh firmly believed that no solution in the Middle East can be envisaged which did not fully take into account the legitimate aspirations of the Palestinian people, he said.

CSO: 4220/7104

BANGLADESH PRESENTS PAPER AT SOUTH ASIAN MEETING

Dacca THE BANGLADESH TIMES in English 30 Mar 82 p 8

[Text] Bangladesh on Monday called for establishment of a regional centre for agriculture information bank and a coordinating centre for South Asia.

The suggestion was made in the country paper presented by Bangladesh on the opening day of the three-day first meeting of the working group in agriculture of 7-nation South Asian regional cooperation that began in Dacca on Monday.

On agricultural research system in Bangladesh, the country paper observed that the system in Bangladesh was characterised by high degree of fragmentation in research efforts. Research programmes were isolated and the system suffered from lack of co-ordination, it said.

It said, "the tendency of various research institutes and centres to work in isolation, proliferation of research efforts, lack of programme-oriented programme are counter to provide adequate research backing for agricultural development efforts".

The country paper said that multiplicity of agricultural extension services had created confusion among the farmers resulting from multiple and some times conflicting approaches by different agencies as well as wasteful duplication of resources use and serious coordination problem. The farmers, the paper said, were not benefitted by these extension services.

The characteristics of agricultural research systems and multiplicity of agricultural extension services had failed to establish a strong research-extension linkage for agriculture vis-a-vis rural development in Bangladesh.

Rice Varieties

The paper said that the empirical studies had revealed that transfer of the improved technology in rice and wheat production had not been very successful at the farm level, particularly among the small farmers.

A micro-level socio-economic research on identification of constraints to adoption of improved rice production technology concluded that the new technology with modern rice varieties did not fit into the local farming conditions

of Bangladesh. Adoption of new technology had relatively little impact on the average rice yield because of incomplete technology adoption and lack of co-ordination in input use.

Cooperation Sought

Earlier the first meeting of the working group on agriculture of seven-nation South Asian regional cooperation began in Dacca on Monday with a call for evolving ways and means for fruitful cooperation in agriculture sector among the regional countries.

The meeting which will continue till tomorrow (Wednesday) was formally inaugurated by Dr Kazi M. Badruddoza, Executive Vice-Chairman, Bangladesh Agricultural Research Council (BARC) who is also the Chairman of the working group.

Briefly outlining the background of the formation of working group, Dr Badruddoza said that the major tasks of the working group would be to draw comprehensive programmes of action for cooperation in both short term and long term phases.

Heavy Task

The Chairman of the group said that the group had a heavy task ahead to sustain the momentum of progress on regional co-operation in agriculture. He hoped that the group would be able to make suggestions on well defined areas of regional co-operation for immediate as well as long-term prospects.

The inaugural session meeting attended by the delegates from Bangladesh, India, Nepal, Pakistan, Bhutan, Sri Lanka and Maldives heard country papers from Bangladesh, India, Sri Lanka and Maldives. The delegate from Pakistan also made a brief statement.

Dr. M. V. Rao, an Indian delegation in the country paper presented the status of agricultural research, status of agricultural education, transfer of technology, exchange of information in agriculture and facilities available for higher education in agriculture and allied fields in his country.

Mr M.U. Maniku, Deputy Minister of Agriculture of Maldives, outlined the meagre research and extension services in his country. On transfer of technology, he said that in view of the very limited availability of technological resources, Maldives was a recipient of technology.

Mr Md. Hanif of Pakistan observed that there were bright prospects for regional co-operation in agriculture sector particularly in wheat and maize production.

He said that Government of Pakistan was willing to extend necessary information for fruitful co-operation in agriculture sector of the regional countries.

Dr. Badruddoza while presenting the country paper of Bangladesh said that besides extension and management fields, Bangladesh had over 2,400 scientists in

agricultural research. He said that two research institutes--Bangladesh Agricultural Research Institute (BARI) and Bangladesh Rice Research Institute (BRRI) had been given the authority to offer Ph.D. degrees in certain disciplines.

He said that the agricultural research system which was fragmentary at the moment would be a unified system soon.

On transfer of technology, Dr. Badruddoza said that Bangladesh had already signed memos of understanding with a number of countries. He said that signing of the memo of understanding was necessary among the regional countries particularly for exchange of scientists.

CSO: 4220/7096

PRC, POLISH, NEPALESE LEADERS GREET CHOWDHURY

Dacca THE BANGLADESH OBSERVER in English 6 Apr 82 pp 1, 12

[Text] Mr. Ye Jianying, Chairman of the Standing Committee of the National People's Congress of the People's Republic of China, has sent a congratulatory message to President Mr Justice A F M Ahsanuddin Chowdhury on his assumption of office of the President of Bangladesh, according to PID hand out on Monday.

Following is the text of the message:

"I wish to extend, on behalf of the Chinese people and in my own name, warm congratulations to Your Excellency on the occasion of your assumption of office of President of the People's Republic of Bangladesh.

"May the People's Republic of Bangladesh enjoy prosperity and its people well-being. May the friendship between China and Bangladesh grow further

I wish Your Excellency good

I wish Your Excellency good

King Birendra

King Birendra Bir Bikram Shah Dev of Nepal has sent a message of felicitations to President Mr Justice A F M Ahsanuddin Chowdhury on his assumption of office of the President of Bangladesh

Following is the text of the message:-

"On behalf of the Government and people of Nepal and on our own we wish to extend to Your Excellency our sincere felicitations on your assumption of the high office of the President of the People's Republic of Bangladesh. We wish you all success and are confident that the friendly relations so happily subsisting between our two countries will continue to grow further in the years to come.

Mr. Tudor Zhivkov, Chairman of the State Council of the People's Republic of Bulgaria, has sent a congratulatory message to President Mr Justice A F M Ahsanuddin Chowdhury on his assumption of office of the President of Bangladesh.

Following is the text of the message:

"Your Excellency,

On the occasion of your appointment as President of the People's Republic of Bangladesh, please accept my congratulations and wishes for success in your highly responsible activities.

I hope that the relations between the People's Republic of Bulgaria and the People's Republic of Bangladesh will continue to develop successfully in the interest of the two peoples and the world peace.

Jablonski

Prof Henryk Jablonski, Chairman of the Council of the State of the Polish People's Republic, has sent a message of greetings to President Mr Justice A F M Absanuddin Chowdhury, on the occasion of the Independence and National Day of Bangladesh.

Following is the text of the message :

"In connection with the National Day of the People's Republic of Bangladesh I would like to convey to Your Excellency cordial greetings on behalf of the Polish nation council of state and my own.

I wish good health and success to the people of Bangladesh and to you personally happiness and prosperity"

CSO: 4220/7106

BANGLADESH DELEGATE SPEAKS AT ESCAP MEETING

Dacca THE BANGLADESH OBSERVER in English 29 Mar 82 p 3

[Text]

Dr. Fariduddin Mahtab, leader of the Bangladesh delegation to the 36th session of ESCAP being held in Bangkok has called upon the member countries to deal with the issues of food security, energy development, trade and aid flows facing the South Asian region with a sense of urgency, reports BBS.

According to a message received in Dacca, Dr. Mahtab who was elected Vice-Chairman of ESCAP's current session was addressing the session last Tuesday.

Dr. Mahtab emphasized that increased food production, improved distribution system, expansion of employment and income of the landless and marginal farmers from agricultural and other sources through human resources development could alone ensure food for all.

Dr. Mahtab said that the energy need of agriculture must be met over and above the alleviation of fuel wood crisis in the rural areas. He underlined the need for increm-

sed financial and technical cooperation for the development of energy resources in South Asia. He said cooperation among the South Asian sub-regional countries for harnessing water resources for irrigation and hydropower can truly transform economics of these countries.

Dr. Fariduddin Mahtab also said that export shortfalls and deterioration in the terms of trade in the face of dwindling concessional assistance from bilateral donors and multilateral agencies have imposed extreme difficulties of adjustment particularly on the Least Developed Countries of the region. He also emphasized the need for reorienting the programme of priority of the ESCAP with a view to promoting regional food security, development of energy resources and expansion of trade and financial flows within the region geared towards elimination of mass poverty.

The leader of Bangladesh delegation was earlier elected Vice-Chairman of the current session of the ESCAP.

DOC: 4220/7093

BRIEFS

PRESS COUNCIL SUED--Retd Air Vice Marshal M G Toab has filed a case in the Press Council against the Editor weekly Sangbadik a Council Press release said in Dacca on Saturday reports BSS. According to the Press release the said weekly in its issue of March 20 published a news under the caption conspiracy to sieze power alleging that Mr Toab held secret meeting with Mr Mushtaq and Mr Dalim in Dashpara. The news according to him is absolutely false and motivated and is intended to mislead the reader aimed at character assassination, it added. [Dacca THE BANGLADESH TIMES in English 28 Mar 72 p 3]

SAUDI, PAKISTAN MESSAGES--King Khaled bin Abdul Aziz of Saudi Arabia on Monday sent a cable expressing his "brotherly regards" to President A.F.M. Ahsanuddin Chowdhury on the National and Independence Day of Bangladesh, reports BSS. The King also wished progress and success for the people of Bangladesh. Another message adds: Pakistan President Ziaul Haq on Monday sent his "warmest felicitations" to Justice A. F. M. Ahsanuddin Chowdhury on his assumption of office of President of Bangladesh. President Haq expressed the confidence that the close ties of friendship and co-operation between the two brotherly countries would continue to grow to the mutual benefit of the two peoples in the years to com. He conveyed his best wishes for the good health of the President and progress and prosperity of the brotherly people of Bangladesh. [Dacca THE BANGLADESH TIMES In English 30 May 82 p 1]

ORDER ON SEMINARS--The following clarification of Martial Law Order No 1 of 1982 was issued by the Chief Martial Law Administrator's Secretariat in Dacca on Saturday, says BSS. It is hereby clarified for the information of all concerned that the Martial Law Order No. 1 imposing restrictions on the holding of seminars and workshops will not be applicable to cultural and literary functions and scheduled training programmes. [Dacca THE BANGLADESH OBSERVER in English 4 Apr 82 p 1]

ANTIHOARDING ORDEPS--The Government has reviewed the existing anti-hoarding orders and made some relaxation, says a PID handout. Under this present amendment a trader outside of one mile border belt of the country can trade in food-grains upto 150 maunds without any foodgrains licence. The previous limit was upto 30 maunds. This has been done with a view to encouraging freer private trade and quick move ment of food grains throughout the country. [Dacca THE BANGLADESH OBSERVER in English 4 Apr 82 p 1]

CONCERN OVER FALKLANDS--Bangladesh on Saturday expressed concern at the use of force in the solution of Falkland dispute reports BSS. Asked to comment on the developments in the Falkland Island dispute a Foreign Office spokesman said "We reiterate Bangladesh's firm commitment to adhere to the principle of UN Charter which provide for peaceful and negotiated solution of all disputes between nations". "Bangladesh therefore views with concern any attempt to solve international disputes by use of threat or use of force" he said. [Dacca THE BANGLADESH OBSERVER in English 4 Apr 82 p 12]

GUEST CONTROL ORDER--The Martial Law authority has announced for general information that the provisions of the Guest Control Order 1978 will henceforth be rigidly enforced, reports BSS. A Press release of the CMLA's Secretariat said in Dacca on Tuesday night, that under this order not more than one hundred guests can be entertained. The order is applicable to all religious, social and marriage functions. It, however, does not apply to state functions and functions arranged by the foreign Missions stationed in Bangladesh. The Press release said, violation of the Guest Control Order is punishable with imprisonment for a term which may extend to three years or with fine or with both including forfeiture of the property in respect for which contravention is made under this order. [Dacca THE BANGLADESH OBSERVER in English 7Apr 82 p 1]

AUSTRALIAN WHEAT GRANT--Bangladesh will receive 162 thousand tons of wheat from Australia as food aid during the current financial year, says a PID hand-out. This was disclosed by Mr Mack Williams the Australian High Commissioner to Bangladesh while he called on Air Vice Marshal (Retd) A.G Mahmud Adviser in charge of the Ministry of Food and Relief at his office on Tuesday morning. Of this 72 thousand tons of wheat is expected to arrive at Chittagong port by April 15 The rest 90 thousand tons of wheat offered by the Australian Government as grant in response to the request of Bangladesh Government will be made available for immediate shipment. Air Vice Marshal (Retd) A.D Mahmud conveyed his gratitude to the people and the Government of Australia for their timely assistance to Bangladesh [Dacca THE BANGLADESH OBSERVER in English 7 Apr 82 p 1]

FUEL CONSUMPTION CUT--Fuel consumption of government vehicles under the Directorate of Transport Commissioner has been reduced by almost 50 per cent since the promulgation of Martial Law on March 24. Fuel consumption has been reduced following strict appliance of rules of transport use by Government officials. Fuel consumption which was about 15,500 gallons for a total fleet of about 210 cars and jeeps under the Directorate of Transport Commissioner, has been cut down to almost half. The per day average fuel consumption which was 500 gallons during the month of January and February 1981, has fallen to 250 gallons per day, according to a survey carried out by this correspondent. [Dacca THE BANGLADESH OBSERVER in English 7 Apr 82 p 1]

AMBASSADOR TO SUDAN--The Government has decided to concurrently accredit Bangladesh Ambassador to Egypt Lt. Gen Mir Shaukat Ali, BU, psc as Ambassador to the Sudan, it was officially announced in Dacca on Tuesday, says BSS. [Dacca THE BANGLADESH OBSERVER in English 7 Apr 82 p 1]

CLARIFICATION ON STUDENT UNIONS--Some misunderstanding has been created by the explanation of Clause 14 of Martial Law Regulation No 1 of 1982 issued by the Chief Martial Law Administrator's Secretariat on 4th April, 1982. It was stated therein that students' union in all educational institutions stood dissolved. It is now clarified that students' union in educational institution have not been dissolved. They shall continue to function. However, political activities of all sorts by students or student's organisations shall come within the mischief of the said clause 14 of Martial Law Regulation No 1, says a PID handout. [Dacca THE NEW NATION in English 7 Apr 82 p 1]

PROTOCOL WITH USSR--Bangladesh USSR have signed a barter protocol in Moscow, according to a message reaching in Dacca on Thursday reports ENA. The total turn-over envisaged for the year 1982 which is approximately seven per cent more than total turn over of the last year. Under this protocol signed on April 5 Bangladesh will export over 40 per cent its finished products to USSR and will import about 65 per cent of industrial raw materials, besides essential electrical equipment, spare parts of machineries and high speed diesel oil etc. Major items of finished products that will be exported from Bangladesh to USSR are jute products, finished leather wires and cables, footwear specialised textiles, ready-made garments and hosiery products soaps and detergents, handicrafts, cutleries etc. Major items of import from USSR to Bangladesh are pig iron m.s. billets, h.S.d. oil raw cotton, other raw materials and spare parts for machineries etc. [Dacca THE BANGLADESH OBSERVER in English 9 Apr 82 p 12]

TEAM TO DPRK--A 21-member cultural delegation from Bangladesh is leaving today (Friday) for Pyong yong to attend the celebration of the 70th birth anniversary of President Kim Il Sung of Democratic People's Republic of Korea. Syed Zillur Rahman Director General of Shilpakala Academy will be leading the delegation. [Dacca THE BANGLADESH OBSERVER in English 9 Apr 82 p 3]

NEW CHIEF JUSTICE--Mr. Justice P.K.M.A. Munim seniormost judge of the Appellate Division of the Supreme Court was sworn in on Monday night as the Chief Justice of Bangladesh, reports BSS. P resident Mr. Justice A.F.M. Ahsanuddin Chowdhury administered the oath of office to Justice Munim at a simple ceremony at the Credential Room of Bangabhaban here. The Chief Martial Law Administrator, Lt. Gen. H.M. Ershad, the DCMLA and Chief of Navy Staff Rear Admiral M.A. Khan DCMLA and the Chief of Air Staff Air Vice Marshal Sultan Mahmud, members of the council of advisers and judges of the Supreme Court were present on the occasion. The Chief Justice, Mr. Justice Kemaluddin Hossain, has been retired. [Dacca THE BANGLADESH OBSERVER in English 13 Apr 82 p 1]

ENVOY POOL DISSOLVED--The Chief Martial Law Administrator has dissolved with immediate effect the Envoy Pool (Doot Pool) created by the former Government, according to a PID handout issued on Saturday. A directive issued in this regard by the CMLA's Secretariat on Saturday asked all concerned to take necessary action accordingly. [Dacca THE BANGLADESH OBSERVER in English 11 Apr 82 p 1]

DISTRICT DEVELOPMENT COORDINATORS--Nomination of the District Development Coordinators has been terminated and they will cease to hold office, or functions as District Development Co-ordinators with immediate effect, says a PID handout. [Dacca THE BANGLADESH OBSERVER in English 11 Apr 82 p 1]

NEWS TEAM TOLD IMPORTANCE OF INDIAN-FRG RELATIONS

New Delhi PATRIOT in English 26 Apr 82 p 3

[Text]

BONN, April 25 (PTI)—The Federal Republic of Germany views the non-aligned movement as the political answer to the growing influence of super power rivalry in the South Asian region.

"We (West German Government) have a positive attitude towards cohesiveness of the non-aligned countries", an official spokesman told a group of visiting Indian journalists.

India, he said, had a significant role to play in strengthening the Third World movement and the FRG will support any move by it in achieving this goal.

On the Afghan issue, the spokesman said it was unfortunate that the Indian Government had taken a "subdued" attitude.

India was patiently and diplomatically trying to convince the Soviet Union to withdraw its forces from Afghanistan he said, but the West German Government was more vocal demanding immediate withdrawal of Soviet forces.

West Germany believed that the international community should apply pressure on the Soviet Union to resolve this issue, he said.

Dwelling on economic cooperation, the spokesman said the expanding volume of Indo-German trade had reached a new peak during 1981.

Indian exports to Germany during the period rose by 14 per cent. The uptrend in Indian imports from the FRG, on the other hand, accelerated to a 56 per

cent growth rate compared with 46 per cent at mid-year, he said.

The total volume of Indian imports from the FRG jumped to DM 1.6 billion, the highest increase in absolute terms being contributed mainly by iron and steel, he said. Other items imported from the FRG included chemical and pharmaceutical products, electro-technical goods, machinery, vehicles and prime movers.

Indian exports to the FRG the spokesman said, touched DM one billion during January-September 1981, as against DM 885.5 million during the same period the previous year.

Main export items included cotton and cotton goods, wool and animal hair, carpets, leather and leather goods, precious and semi-precious stones and pearls and tea.

The spokesman said the FRG financial assistance totalled DM 300 million and DM 40 million in the form of technical assistance last year.

A spokesman of the economic ministry said several joint projects were under the consideration of the two countries.

Notable among them were a 600 mw second unit for Korba super thermal power plant and another similar unit at Ramagundam, rural development schemes in Himachal Pradesh and Rajasthan, low-cost housing projects and a training-cum-production centre at Lucknow.

IMPORTANCE OF GANDHI VISIT TO SAUDI ARABIA TOLD

Economic, Political Gains

New Delhi PATRIOT in English 26 Apr 82 p 3

[Text]

The recently concluded four-day visit of Prime Minister Indira Gandhi to Saudi Arabia has opened up new vistas between the two countries, both on political and economic fronts and enabled the Kingdom to understand India in the right perspective reports PTL.

By any standard, the visit by the Prime Minister, the first after a lapse of 26 years, has proved to be outstandingly successful in clearing some of the lurking apprehensions about India that had wittingly or unwittingly prevailed among the rulers of the Islamic Kingdom.

As if to concretise the broad understanding reached between the two countries during Mrs Gandhi's visit, the Saudi Government has now offered a 150 million dollar contract for the construction of housing units to the Indian overseas construction consortium and their associates in Saudi Arabia, Fiat trading and contracting company.

The contract provides for construction of 576 housing units and public buildings for the interior ministry's internal security forces in Tabuk. It calls for providing basic services, landscaping, central airconditioning, furnishing and other works. The contract's value is likely to be increased to about 300 million dollars due to additional works, a spokesman of the consortium told PTL.

This was the first time an Indian group has been given a contract for civil construction work in the Kingdom as the main contractor, observers noted.

Mrs Gandhi's visit had given a new 'status' to about 1025 lakh

Indians working in the oil-rich Kingdom.

But more than the economic aspects, it was in the political arena where Mrs Gandhi has scored a signal victory.

She had been able to drive home the point with the rulers of Saudi Arabia that it was essential for both the countries to strive together to keep the super powers out of the Gulf and the Indian Ocean and take coordinated steps to reduce tensions in the region.

As manifested in the joint communiqué, both countries would like to concentrate their efforts on developmental aspects rather than join the arms race.

One of the outstanding gains of her visit to the Islamic Kingdom was her success in removing certain misapprehensions in the mind of Saudi rulers about India—either on the question of its relations with Pakistan, Soviet Union, America or its treatment of its minorities.

In fact, both King Khaled and the Crown Prince Fahd, who is the virtual executive of the nation, appreciated India's offer of friendship with Pakistan and the policy of genuine secularism followed by the Indian Government in which Muslims had the opportunity of occupying the highest seat of power in country.

Another important outcome of the Prime Minister's visit is the likelihood of substantial Arab investment in India and the possibility of reaching an agreement for long-term supply of crude oil to India.

Indian-Saudi Task Force

New Delhi PATRIOT in English 26 Apr 82 p 8

[Text]

A TASK force has been set up by the Ministry of External Affairs to take follow up action on the wide-ranging decision taken for diversifying and enlarging the economic and technical cooperation between India and Saudi Arabia in Riyadh last week, reports UNI.

The task force would consist of top officials of the External Affairs Ministry and Additional Secretaries of the Ministries of Commerce, Industry and Finance, who will be actively involved in concretising and implementing the decisions which were formally taken during the Prime Minister Indira Gandhi's extensive talks with Saudi leaders during her four-day visit to the oil-rich country.

The task force, which will be headed by Mr Romesh Bhandari, secretary (economic relations) in the External Affairs Ministry, has been mandated to draw up a comprehensive programme of action.

As soon as the programme of action is charted out it would be forwarded to the Prime Minister for her advice. Once it is ready the External Affairs Ministry would get in touch with the Saudi authorities in Riyadh and then begin implementing the programme.

According to official sources there are immediate prospects for setting up a modern fertiliser joint venture project in Saudi Arabia with Indian technical expertise. Under the arrangement reached, India would buy back substantial quantities of fertiliser from the Saudi factory.

Some quantities of the fertiliser of the project would be used by Saudi Arabia for desertification and other agricultural schemes which the Indian agricultural experts would finalise. The Saudis have readily agreed for the fertiliser project since they are aware of the substantial market for this product in India which already imports large quantities of fertiliser and

is one of its biggest users in the world.

The other project, to be set up shortly in India, would be a big cement plant with Saudi financial assistance and Indian technical expertise. Cement from this project would be exported to Saudi Arabia where construction activities have been undertaken on a massive scale.

The task force would also finalise joint ventures in the agricultural field in India, from the venture, India would export to Saudi Arabia grains, vegetables, fruits, meat and meat products.

The task force would at a later stage, involve the Indian business houses, construction companies, senior technical advisers and consultancy firms which would be associated with the Indo-Saudi joint action programme for economic and technical cooperation.

Detailed reports would be prepared by this taskforce for the perusal of the Saudi Government and Saudi businessmen wanting to make investments in India.

The green signal for the action programme would be given when a team of top Saudi business people visits India later this year as agreed to in Riyadh.

The Saudi side has told India that they would need a wide-range of equipment, inter-mediate, raw materials, technical knowhow and trained personnel for their ambitious third five year development plan. They indicated that this would also open up fresh avenues for Indian exports to Saudi Arabia.

The Saudis have also indicated to India that apart from rapid development in the areas of agriculture, mining, manufacturing, utilities and construction, a spurt in activity is envisaged in the fields of trade, transport, finance, and other services.

The Saudis have expressed their interest in collaborating with Indian arid zone research institutes which has been set up with the assistance of United Nations Food and Agricultural Organization (FAO).

BUSINESSMEN SEEK MORE TRADE WITH ARAB NATIONS

New Delhi PATRIOT in English 25 Apr 82 p 7

[Text]

A business team which recently visited Bahrain and Saudi Arabia has recommended a package of measures to stimulate trade and economic cooperation with Arab countries, reports UNA.

The nine-member delegation from the Federation of Indian Chambers of Commerce and Industry led by Mr M. P. Goenka has assessed that India's trade in the two markets of Bahrain and Saudi Arabia can be stepped up to over a billion dollars from the present level of about 200 million dollars by following a cohesive policy. It is of the view that a wide ranging items from agriculture to engineering sectors, can be exported on a sustained basis.

It has suggested measures for recycling of petro-dollars. These include liberal attitude towards

tax and other incentives, simplification of procedures with regard to remittance of profits and dividends, and opening of branches of leading banks in the countries.

To avail of the vast opportunities for industrial development and construction, the team has recommended formation of a separate consortium of Indian industries for industrial collaboration and construction jobs. Saudi Arabia has set up 120 billion dollars for construction activities in the third plan and Indian companies should try to get a fair share of this market.

The recent visit of Prime Minister Indira Gandhi to Saudi Arabia has generated lot of goodwill for India and this should be taken advantage by Indian businessmen.

CSO: 4220/7225

MEETING BETWEEN GANDHI, IRAN FOREIGN MINISTER REPORTED

Madras THE HINDU in English 30 Apr 82 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, April 29.

At an hour-long meeting today with the Prime Minister, Mrs. Indira Gandhi, the visiting Iranian Foreign Minister, Mr. Ali Akbar Velayati, spelt out his country's conditions for ending the war with Iraq, its strong opposition to holding the non-aligned summit in Baghdad and its stand on the U.N. proposal for direct talks with Afghanistan.

Mr. Velayati had nothing new to say on these issues other than reiterating Iran's known position on all these issues. He later explained his country's stand in detail at the first round of official-level talks he had with the External Affairs Minister, Mr. P. V. Narasimha Rao.

The Iranian Foreign Minister insisted that Iraq should not only withdraw unconditionally from all occupied territory, but also pay compensation for the war damage. There would be no question of a cease-fire, he said. Until these two conditions were met, the war would go on whatever be the consequences, he said.

He was equally vehement that the non-aligned summit should not be held in Baghdad in this situation. Iran would not only boycott the summit, but would also continue to oppose actively any move to hold it in Baghdad in the face of its bitter opposition.

Afghan issue: Mr. Velayati said that he had told the special U.N. mediator in no uncertain terms that Iran was not prepared to engage in any direct talks with the "unrepresentative" Babrak Karmal regime, either bilaterally or trilaterally along with Pakistan, to settle the Afghan problem. But it was prepared to depute an official to the U.N. headquarters or Geneva for separate talks with him.

India's approach: The Prime Minister heard Mr. Velayati's exposition of Iran's views on the three issues without commenting on them. But she utilised the opportunity to elucidate India's approach to its relations with Pakistan and the problems of peace and stability in the region. She also told him of the complete equality and freedom of religion that the Muslim community in India enjoyed without any hindrance.

The two delegations met this afternoon for full discussions on bilateral cooperation in the light of Mr. Velayati's statement on his arrival yesterday that Iran wanted to consolidate its "long and deep" relations with India in the political, economic, technical and cultural spheres. They made what was later described as a *tour d'horizon* of the possibilities of increased cooperation in specific fields where India could assist Iran.

Range of assistance: The two delegations later split into working groups for discussing in depth the immediate needs of Iran and the range of assistance that India could offer to it. The Iranian Government wants to buy a wide range of goods from India like machinery, electrical appliances, engineering products, textiles, pharmaceuticals, agricultural implements and some food items. It is also interested in employing Indian personnel to meet the acute shortage of trained manpower for restoring or running its railways, ports, power plants, hospitals and even higher educational institutions.

The talks will end tomorrow after another round of discussions between the two Foreign Ministers, followed by delegation-level meetings to finalise the details of the proposed economic cooperation. Mr. Velayati and his principal colleagues will be visiting Lucknow, Bangalore and Bombay before leaving on Sunday for Tehran.

Challenges facing Iran: After seeing some of the famous Muslim monuments in Lucknow, they will be visiting the Hindustan Machine

Tools, the Indian Telephone Industries and the Indian Space Research Organisation in Bangalore. They will not be visiting any industrial or scientific establishments in Bombay because of the short duration of Mr. Velayati's stay there before embarking for Tehran.

As the first Tehran Foreign Minister to visit India after the Islamic revolution, he has been received with special courtesies and due importance given to his discussions here. At the banquet given in his honour tonight, he spoke with his customary Islamic fervour about the challenges facing Iran, although the main emphasis was on increased Indo-Iranian cooperation. Mr. Narasimha Rao, too, concentrated in his speech on the positive aspects of this cooperation, while expressing the hope of an early settlement of the Gulf war in the larger interests of peace in the region.

CSO: 4220/7241

COMMERCE MINISTER MEETS WITH IRAN FOREIGN MINISTER

Bombay THE TIMES OF INDIA in English 1 May 82 p 9

[Text]

NEW DELHI, April 30.

IRAN is keen to buy from India various items, including the basic and infrastructural materials needed for the reconstruction of its economy.

This was indicated by the visiting Iranian foreign minister, Dr. Ali Akbar Velayati, during his meeting with the Union commerce minister, Mr. Shivraj Patil.

The commerce minister welcomed Dr. Velayati's suggestion and said that India always stood for greater cooperation among developing countries. He stressed the need for increasing trade and economic cooperation between India and Iran.

Dr. Velayati also suggested that instead of competing in the international market, the exporters of India and Iran could cooperate with each other to realise higher unit price. He also pointed out that because of geographical proximity between India and Iran and the age-old bilateral relations, there was considerable scope for increasing cooperation between India and Iran.

The two ministers also agreed that Indian exporters should maintain quality of their products. The commerce minister said an export inspection agency had been functioning in India and quality control of export goods was being strengthened.

INVITATION EXTENDED

On behalf of the Iranian commerce minister, Dr. Velayati extended an

invitation to Mr. Patil to visit Iran. Mr. Patil accepted the invitation.

India's exports to Iran in 1980-81 were worth Rs. 121.97 crores compared to Rs. 96.11 crores in 1979-80 and Rs. 92.48 crores in 1978-79. India's imports from Iran were worth Rs. 1,348.94 crores in 1980-81 compared to Rs. 620.69 crores in 1979-80 and Rs. 348.50 crores in 1978-79.

India's main exports to Iran comprise of chemicals, leather, textiles, yarn, fabrics and related products, iron and steel, metal manufactures, machinery and transport equipment. India's main imports from Iran are crude petroleum and petroleum products, sulphur and inorganic chemicals.

Meanwhile, the two official delegations today met again followed by discussions in small working groups. Mr. Natwar Singh, secretary in the external affairs ministry, led the Indian delegation and the Iranian team was led by Mr. Sheikhul Islam.

Dr. Velayati also had another meeting with the external affairs minister, Mr. P. V. Narasimha Rao. Matters of economic and industrial cooperation were discussed when Dr. Velayati met the industry minister, Mr. N. D. Tiwari.

During the official talks, India agreed to take in more Iranian students in the Indian universities. More than 15,000 Iranian students are currently in India.

The talks will end tomorrow and the two countries are expected to issue a joint statement.

CSO: 4220/7242

VISITING IRANIAN FOREIGN MINISTER MEETS NEWSMEN

New Delhi PATRIOT in English 2 May 82 p 5

[Text]

Expansion of political relations between India and Iran will pave the way for stability and tranquillity in South Asia and the Persian Gulf region. This was the view, Iranian Foreign Minister Ali Akbar Velayati expressed at a press conference in the Capital on Saturday.

He said his visit to India and discussions with the Indian leaders had been as expected, very successful and the results were highly positive. Iran was keen to enhance Indian assistance in science, technology and industry in which India had achieved considerable progress. Such assistance would help Iran to eliminate dependence on the West. This would also be in line with Iran's priorities — to have closer ties with Third World nations, Islamic countries and neighbours.

Dr Velayati said Iran too had some items and experiences which it was ready to provide and share with India. These included oil and oil products. On the question of Kudremukh iron ore project, he said some progress had been made.

Dr Velayati said the issue had been discussed during his current visit to India. A team of experts from India will hold further discussions in Iran some

time later.

The Iranian Foreign Minister discussed the Kudremukh project and other areas of Indo-Iranian cooperation in core sectors with Union Minister for Steel and Mines N D Tiwari on Friday night. He assured India that his Government would do everything possible to help solve the problem that has beset the shipment of iron ore from the project built specially to supply the Iranian steel industry.

COOPERATION

Dr Velayati said that Iran was looking for economic cooperation with India to rebuild its war-affected industries. Iran, he said, was seeking the help of the Indian expertise and experience in metallurgy, mining and agro-based industries. Such cooperation, he said, was specially necessary to rebuild the shattered Iranian steel sector.

Mr Tiwari told the Iranian Foreign Minister that Kudremukh was a symbol of Indo-Iranian friendship. The problems that had cropped up recently were a legacy of the past, and given mutual goodwill, a satisfactory solution would be found.

ANALYST DISCUSSES INDO-IRANIAN COOPERATION

Madras THE HINDU in English 25 Apr 82 p 12

[Article by G.K. Reddy]

[Text]

NEW DELHI, April 24.

The Islamic regime in Iran is turning more and more to secular India, as it were, for technical help in putting its shattered economy back on the rails and making a conscious effort, in the process, to intensify the traditionally friendly relations between them.

The Iranian Government wants not only to buy a wide range of goods from India, like machinery, electrical and engineering products, textiles, pharmaceuticals, agricultural implements and some food items, but also to engage Indian personnel to meet the acute shortage of trained manpower in key sectors like railways, ports, industries, power plants, hospitals and advanced educational institutions.

The Iranian Foreign Minister, Mr. Ali Akbar Velayati, is arriving here on April 28 on a three-day visit, to open a dialogue at the highest level for increasing Indo-Iranian economic cooperation. An Indian delegation, led by the Secretary in the External Affairs Ministry, Mr. Romesh Bhandari, had been to Teheran recently to prepare the ground for Mr. Velayati's visit, the first trip to India by an Iranian Foreign Minister after the advent of the Islamic revolution.

Two-fold objectives: The Indian Government is looking at the possibilities of increasing Indo-Iranian economic cooperation from two angles, one aimed at stepping up trade between the two countries to correct the adverse balance in payments created by the continued imports

of oil, and the other, to provide for industrial collaboration in a big way without confining the Indian assistance to supply of spare parts and deputation of trained personnel.

Piquant situation: The Iranian financial participation in the Madras Refinery has been a successful experiment. But India is faced with a piquant situation in that, after having partly financed the Kudremukh project, Iran is now in no position to buy the contracted iron ore because of its economic disruption or loss of interest in setting up a steel plant. A number of other projects in which India was participating in Iran had to be partly or totally abandoned following the internal upheavals caused by the Islamic revolution.

The Iranian Foreign Minister will also discuss some political developments of mutual concern like the Afghan problem, the big power rivalries in the Gulf area, his country's conflict with Iraq and the forthcoming non-aligned summit. But, on all these issues, the two sides will have nothing new to say other than reiterating their known positions.

India's credentials: The main focus of his visit will, therefore, be on the shared desire of the two countries for closer bilateral relations. The Iranian move is an eloquent vindication of India's stand that, as a secular State, with one of the largest Muslim communities in the world, it has as good credentials as any other country to establish and maintain close contacts with the Islamic nations on the basis of its traditional friendship with them.

UN DELEGATE SPEAKS AT SESSION ON PALESTINE

New Delhi PATRIOT in English 25 Apr 82 p 3

[Text]

UNITED NATIONS, April 24 (PTI).

IN the emergency special session of the General Assembly on Palestine, India has called for the implementation of the plan of action to settle the Palestine problem as approved by the non-aligned countries in Kuwait recently.

The United States, which also spoke yesterday, deplored a move by Arab countries to bring forward before the Assembly a resolution for the expulsion of Israel from the world body for its continued defiance of UN resolutions on the West Asia.

The seventh emergency session of the Assembly which began on Tuesday last will move into the second week on Monday.

Mr N Krishnan, permanent representative of India, said that the Palestine problem could be resolved only by unequivocal recognition as well as exercise of the inalienable rights of the Palestinian people including their right to establish an independent state of their own. He regretted that his political aspect of the problem had been deliberately side-stepped by Israel's powerful supporters.

Mr Krishnan said the situation in West Asia had been sharply deteriorating. Despite numerous resolutions adopted by the United Nations, 35 years after the UN had given the solemn pledge of a national homeland to the Palestinians, these people continued to be uprooted while Israel continued to occupy their land.

Since the emergency session discussed the Palestine question last in 1980, he said, Israel was perpetuating its occupation of Arab territories and was subjugating, if not exterminating, the Palestinian people.

Israel was also intimidating its Arab neighbours by use of threat of use of force. Establishment of Jewish settlements on Arab lands continued unabated, murders of innocent civilians became daily occurrences, lawfully elected mayors and city councils in the occupied territories were treated with contempt, holy places were desecrated, neighbouring countries were bombed and the nuclear reactor of Iraq was destroyed.

Mr Krishnan said that besides implementing the Kuwait programme on the Palestine problem, the Security Council should be reconvened urgently in order to take effective action, including imposition of mandatory sanctions against Israel to compel that

country to comply with the Council's own decisions.

At the same time, individual members of the United Nations should, on their part, make every effort to isolate Israel, — in all fields in order to bring it to the path of justice and extend moral, diplomatic and material support to the PLO in order to help it to pursue and intensify its just and noble struggle.

Mrs Jeane Kirkpatrick, chief US delegate, deploring efforts to question Israel's credentials, said if the United Nations prefers war rather than peace, it must suffer the consequences in terms of its credibility and reputation. And if, in violation of its own rules, it decides to exclude the democratic state of Israel from participation, it will inevitably reap the whirlwind.

She said the path shown by the Camp David agreement between Egypt and Israel should be followed.

INDO-ALGERIAN JOINT COMMUNIQUE SUMMARIZED

Bombay THE TIMES OF INDIA in English 26 Apr 82 p 9

[Text]

NEW DELHI, April 25 (PTI).

INDIA and Algeria today strongly deplored the strengthening of the military base at Diego Garcia and the increasing escalation of great power military presence in the Indian Ocean area.

In a joint communiqué issued at the conclusion of the four-day state visit of President of Algeria, Mr. Chadli Bendjedid, the two countries also expressed concern over the increasing recourse to force in international relations.

Intensified great power military presence in the Indian Ocean and further acquisition of facilities and strengthening of Diego Garcia base "can escalate local tensions and lead to new conflicts" they said.

Mr. Bendjedid, the first Algerian head of state to visit India, left this morning for China after a warm and ceremonial send-off at Delhi airport.

The two countries expressed their conviction that genuine relaxation of international tension was possible only through transformation and democratisation of international relations as a whole. They stressed the validity and vitality of non-alignment as an independent non-bloc factor which remained more than ever an essential and irreplaceable element in international life. The "new vision" of international relations envisaged by non-alignment, they said, "Remains the only alternative to the present global crisis in the world".

The two sides expressed their resolve to continue to make all efforts to prepare for the seventh summit of non-aligned countries (at Baghdad) in conformity with the decisions of the Havana summit and emphasised the need for ensuring its success.

During discussions between the Prime Minister, Mrs. Indira Gandhi, and the Algerian President, which were marked by mutual friendship, respect and understanding, the two countries also reviewed the situation

in West Asia, southern Africa and western Sahara.

Expressing concern over the "dangerous situation" prevailing in West Asia owing to the persistent policy of aggression followed by Israel, the two sides reaffirmed their full support and solidarity with the Palestinian people struggling for restoration of their inalienable rights.

ZONE OF PEACE

The persistent acts of unprovoked armed aggression by the South African regime against the front line African states also came in for strong condemnation from India and Algeria while reaffirming total support to the Namibian people in their struggle for freedom.

On western Sahara, the two countries underlined that the solution to the problem should be based on the people's right to self-determination in accordance with the decision of the Organisation of African Unity and the principles and resolutions of the U.N. and non-aligned countries.

The two sides also expressed concern over the aggravation of tension and new forms of foreign military presence in the Mediterranean region, threatening the security and independence of the littoral countries.

They called for immediate efforts to overcome the present situation and to transform the region into a zone of peace and co-operation.

While reviewing bilateral relations, the two countries agreed to intensify and diversify their trade exchanges and stressed the desirability of concluding long-term agreements on the basis of mutual interest and reciprocal benefit.

It was agreed to make all efforts to impart to their bilateral relations an "exemplary character", confirming their determination to promote inter-dependent co-operation among developing countries in conformity with the objectives of South-South co-operation.

EDITORIAL DISCUSSES INDO-JAPANESE RELATIONS

Calcutta THE SUNDAY STATESMAN in English 25 Apr 82 p 6

[Text]

The recent visit to Tokyo by the Minister for External Affairs was well-timed since Japanese interest in expanding ties with India appears to be increasing. The Japanese Foreign Minister, Mr Yoship Sakurachi, who is known to take a personal interest in Indian affairs—he is president of the India-Japan Association which celebrates its 80th anniversary this year—may be partly responsible for this, but more important perhaps is a gradual reorientation of Japanese foreign policy towards its Asian neighbours. Even so, relations with India have never been particularly close. At the political level, Japanese positions on issues affecting the subcontinent have usually followed the American lead; on trade and commerce, Japanese reluctance to cooperate more closely with Asian countries—except where crucial raw material requirements are met—has been compounded by restrictions hitherto imposed by New Delhi on imports and foreign investment generally. There appears to be a change in the Japanese attitude on both these aspects. Reports indicate that Tokyo is now disposed to treat India as the "leading country in the subcontinent". It also takes an interest in Sino-Indian border talks so that it does not have to choose between the two countries if their relations deteriorate in the future. The changes in

Indian policy on foreign investments have been welcomed by Japanese business men.

Of special interest is the willingness of a Japanese car manufacturer to invest \$200 million in a joint venture to produce small cars in this country. Trade between the two countries is at present marked mainly by Indian imports of steel and machinery and exports of iron ore, marine products and gems and jewellery. There are also a number of collaboration agreements, such as the fertilizer plants at Bhatinda and Panipat and the Nagarjuna-sagar power project in Andhra Pradesh. This pattern is unlikely to undergo a drastic change in the near future, but there clearly is scope to increase the volume of two-way trade from the current level of \$2 billion a year to about \$5 billion in the next five years. Such a target was accepted at the fifth meeting of the India-Japan Business Consultative Council held earlier this month in Tokyo. New Delhi, however, needs to take note of Japanese business men's complaints about procedural delays in getting projects sanctioned and about poor royalty and profit rates. It remains to be seen whether the recent liberalization of policy regarding foreign investment in India is followed by an improvement in the investors' "actual experience".

DEFENSE MINISTER TALKS ON MIRAGE PURCHASE

Madras THE HINDU in English 24 Apr 82 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, April 23.

The Defence Minister, Mr. R. Venkateshraman, announced in Parliament today the finalisation of the Mirage-2000 deal to acquire a certain number of these highly sophisticated aircraft from France along with an option to manufacture more in India under licence.

He utilised the opportunity of a routine question on the subject in the Lok Sabha to make a comprehensive statement without disclosing the exact numbers of the Mirage-2000s to be purchased and manufactured under licence or the financial arrangements made with France to pay for these expensive aircraft.

The Defence Minister disclosed that an inter-Governmental memorandum of understanding had been signed some time back covering not only the supply of Mirage-2000 aircraft but also other weapon systems. After obtaining satisfactory reductions in financial terms, the Government of India had concluded what is called an "intention to proceed" (ITP) with Marcel Dassault the manufacturers of these aircraft.

Number not revealed

Though the Minister did not reveal the number of Mirage-2000s to be purchased or manufactured indigenously with French technical assistance, it is generally known that the comprehensive deal provides for the acquisition of 40 fully assembled planes in fly away condition and the right to produce later up to 110 planes under licence with access to all subsequent technological advances made in design, engine development, electronics and weapon systems.

The credit arrangements made with the French Government will substantially cover the cost of the initial purchase of these aircraft.

A high-level Indian team headed by the Foreign Secretary-designate, Mr. M. K. Rasgotra, and the Defence Secretary, Mr. P. K. Kaul, which went to Paris early this month, was able to obtain "satisfactory reductions and improvements" in financial terms, especially the inter-relation between the rates of interest applicable to the French Governmental credits and the advance payments to be made to Marcel Dassault.

It was on the basis of these successful negotiations that the ITP was signed for the procurement of the Mirage-2000s for the Indian Air Force.

The Minister said the decision to acquire an advanced technology combat aircraft like Mirage-2000 was taken to meet the IAF's long-term re-equipment plan which was updated periodically after taking into account the changes in the threat environment and the need to phase out obsolescent aircraft and induct more modern planes to cope with the new operational conditions.

After carefully evaluating the operational capabilities of Mirage-2000, both in its primary air combat role and secondary use for air-to-ground operations, the IAF experts were satisfied that it would meet the Indian requirements, since it incorporated latest advances in aero-dynamics, flight control, electronics and structures.

Mr. Venkateshraman stressed that as a new generation aircraft comparable to the F-16 and F-18 class, the Mirage-2000 was an "extremely agile, high performance aircraft with very good close combat and beyond visual range interception capability" which was superior to any other aircraft now in service with the Indian Air Force.

The acquisition of the Mirage-2000, coupled with the induction of other sophisticated aircraft, such as MIG-23 and Jaguar, would in his view greatly strengthen the Indian Air Force and enable it to face the challenges of the eighties and beyond with confidence.

As the question put by Mr. Chitta Beu and Mr. Chiranjit Sharma related only to the Mirage-2000 purchase, the Minister did

not go into details of what other steps the Government was taking to strengthen the Air Force. He did not refer to the plans under way to acquire MiG-27s, the ground attack version of MiG-23 to perform separately the dual role of the Mirage-2000 for air combat and low level bombing missions.

Training plan

The agreement with France provides for more or less simultaneous induction of the Mirage-2000 into the French and Indian Air Forces about the same time towards the end of 1983 or in early 1984. IAF pilots and technicians will be trained side by side with French Air Force personnel, so that the Mirage-2000s can be absorbed straightaway into operational squadrons as and when these are delivered in agreed numbers and schedules.

The 40 Mirage-2000s that India is purchasing will be fitted with the uprated M53-P2 engine which has 10 to 15 per cent more thrust and also the Super Matra 530-D missiles with the very latest lock up and lock down radar systems. The agreement also gives India access to all the stepped up technology that Marcel Dassault and its associates develop in future for equipping the more advanced versions of the Mirage-2000 and its weapons.

PTI reports:

Tests on Jaguar: Mr Venkataraman told Mr H.V. Nanje Gowda that findings of the recent test to which Jaguar aircraft assembled by HAL was subjected were satisfactory.

The Government would consider production of any aircraft at HAL to meet the requirements of the Air Force from time-to-time, he said.

CSO: 4220/7221

'CONFIDENTIAL' WORLD BANK PAPER ON LENDING REVIEWED

Madras THE HINDU in English 24 Apr 82 p 8

[Article by N. Ram]

[Text]

AN internal study of the World Bank's approach to "poverty alleviation" suggests that the institutional tendency since the early Seventies to "distinguish between "poverty" and "non-poverty" lending" as shorthand for indicating an emphasis on certain sectors supposed to cater specially to the poor might have gone too far, and that the time has come to tilt the emphasis back to "a balanced strategy of growth combined with poverty alleviation" as a general framework for development in the Eighties.

The 16-page confidential discussion paper, which served as the basis for an exchange of views on April 15 in the World Bank's Board of Executive Directors, has become available to THE HINDU in Washington.

"There has been," the paper notes, taking an instructive swipe at the McNamara years, "a tendency in the Bank in recent years, as part of the evolution of the poverty focus, to distinguish between "poverty" and "non-poverty" lending. This has been useful for indicating an emphasis on certain sectors especially likely to benefit poor people. It should be used carefully, however, as it would be misleading to imply that only a small number of sectors or programmes have a significant impact on poverty. It also tends to downplay the often important direct and indirect effects of various other sector programmes."

The new-found formulation appears to an external observer to be denoting the loosening or dissolving under Mr. A. W. Clausen of the "poverty-specific" rhetoric, the inhibitions and, to a certain extent, the lending programme and policies of the McNamara years. (Critical observers of the multilateral institution have for some time been remarking on the distinction

between project assistance referring to, or impinging on, or "targetting" the poor and policies and resource flows advancing their basic interests in the development context).

The document is based on the report of a task force set up by the institution's managing committee in the fall of 1981 to prepare an internal review focussing on (a) "the continuing relevance of the (poverty alleviation) objectives," (b) an assessment of the Bank's experience, and (c) suggestions for changes and modifications in policies.

The study finds that while a notable change in World Bank thinking on the development process occurred after the late Sixties — that is, from the time Mr. Robert McNamara took over as President — and while a distinctive and measurable change took place in the institution's lending programme and country economic sector work over the period, weaknesses and problems have surfaced in the experience.

Its basic assertion, presented as a "conclusion", represents a shift away from the keynote concerning the development process recorded by World Bank economists, notably Mr. Mahbub ul Haq of Pakistan, some years ago.

Twin objectives

The revised formulation is that "a balanced strategy of growth with poverty alleviation provides the best general framework for development in the 1980s. This policy remains a key and integral part of the Bank's overall development and lending strategy... There are large areas of complementarity between the twin objectives of growth and poverty reduction. This strategy should contribute to political stability, and it conforms to the stated priorities of many lenders, of many bor-

rowers, and of the United Nations system. (The subject is identified as being particularly relevant to mobilising support for IDA replenishment).

A range of statistics is offered to back up the claim that the World Bank has — after 1988 — redirected its operations and increasingly "targeted" or turned its attention on the poor. The key figure in this shows that the Bank increased its lending to sectors and subsectors "considered more directly beneficial to large numbers of poor people — rural development, primary education, population, health and nutrition, small-scale industry, water supply and urban development — from 5 per cent in 1988 to 30 per cent in 1990."

Findings

Among the "findings" reported for the study are the following:

— The World Bank has through its project lending "effectively reached substantial numbers of poor people, particularly through poverty-oriented 'new-style' projects."

— While there have been mistakes and failures and many difficult problems remain, "there has been much 'learning by doing'". Bank projects have generally been effective in directly increasing the productivity of small farmers or indirectly enhancing productive capacity through investments in improved education, health and nutrition."

— Poverty-oriented projects have "rates of return as high as other projects, have stimulated replication by borrowers, and have resulted in widespread distribution of benefits to poor people."

— The Bank has pioneered "innovative techniques for reaching the poor (e.g. rural development and urban slum upgrading projects) which have been adopted in the national programmes of many countries and by other assistance agencies."

— And the Bank has "introduced poverty concerns into country economic work and its policy dialogue with some member Governments". (However) the change in the character of the country

policy dialogue has been hindered by a variety of factors — And the link with lending is still not as close as desirable."

Broad assertions

The assertions in the internal document are broad and the statistics served up are, at first sight, impressive. However, it cannot escape notice that no close evidence whatsoever is offered to demonstrate how this "attack on poverty" is supposed to have rendered the millions of the poor less poor, or even marginally less numerous, either globally or in any specific country. (Perhaps many of the member Governments in the World Bank require no special evidence to convince themselves on these points, since it is primarily their policies which determine, affect or constitute the agenda for the debate on poverty on a global scale).

There is, in the World Bank's internal document, no attempt to acknowledge, let alone face, serious questions of the socio-economic impact of the policies pursued in various member countries — policies in which the World Bank has a larger or a lesser, a substantive or a minor role. Instead, the argument comes close to proposing (albeit, with its and buts) that the best anti-poverty strategy of them all is represented by the conservative economic development path advocated and championed by the World Bank.

To wit, "shifts in resource allocations and general policy changes — for example, the impact of trade liberalisation or changes in fiscal or price policy — are powerful instruments for poverty alleviation and can have much greater impact on the well-being of large numbers of poor people than most individual projects... Structural adjustment programmes should consider, as far as possible, how the burdens of adjustment are shared among income groups, and how adverse effects on the poor, for example through increased unemployment, higher prices of basic goods, or higher taxes, can be mitigated."

Indeed, even the prescription to do away with or contain social subsidies is sought to be recruited in this transcendental campaign against poverty.

U.S. REPORTEDLY NOT TO FOLLOW MULTIFIBRE ARRANGEMENT

Bombay THE TIMES OF INDIA in English 25 Apr 82 p 1

{Text}

NEW DELHI, April 24.

THE U.S. is seeking to restrict imports of Indian textiles by proposing to stop free access to the U.S. market now available to most categories of Indian handloom garments.

Indo-U.S. negotiations for a bilateral agreement within the framework of the multi-fibre arrangement (MFA) ended today without reaching a conclusion and the second round would now be held in July in Washington.

The U.S. delegation, led by Mrs. Ann Berry, gave a clear indication during the five-day meeting here that the Reagan administration was not prepared to follow the principles agreed to in MFA. It was said that the U.S. had not expected such large imports of Indian handloom items and that India should accept a modest growth rate without insisting on free access for its handloom garments.

The Indian side pointed out that the livelihood of a large weaker section of Indian society was dependent on the production and exports of handloom items. It wanted the U.S. to sincerely accept the principles of shrimed in the new MFA. The new agreement will be effective from January 1 next year.

The U.S. delegation quibbled about the sewing machines for stitching garments and wanted that handloom garments should be hand-stitched. The talks covered inspection procedures since the U.S. side alleged it there was no way of checking powerloom items.

Textile-exporting developing countries are meeting in Geneva from Monday to exchange their experience of dealing developed countries after the finalisation of MFA. Their co-ordinating committee would decide a joint strategy in view of the fact that some developed countries have taken a very rigid attitude, which is reflected in the joint position taken by the EEC.

CSO: 4220/7220

FINANCE MINISTER ANNOUNCES NEW TAX PROPOSALS

Bombay THE TIMES OF INDIA in English 23 Apr 82 pp 1, 9

[Text]

NEW DELHI, April 22

THE Union finance minister,

Mr. Pranab Mukherjee, announced in the Lok Sabha today concessions in his tax proposals which will mean a revenue loss of Rs. 15.73 crores in respect of indirect and direct taxes in a full year.

Of this, Rs. 4.40 crores will be on account of indirect taxes. He was moving the finance bill for consideration of the house.

As a result of these concessions, the total taxation effort for the coming year would go down from Rs. 589.33 crores in a full year—as originally proposed—to Rs. 573.69 crores. The budgetary deficit would now be Rs. 1,300.73 crores against Rs. 1,365 crores envisaged in the budget.

The ceiling of exemption limit from income-tax for encashment of leave for retiring employees has been raised from Rs. 25,500 to Rs. 30,000.

The new provision for exemption of leave encashment will be given retrospective effect from the assessment year 1978-79, since the benefit was introduced by government in 1977-78. However, in the case of those who had retired before January 1 this year, the amount qualifying for exemption will continue to be Rs. 25,500.

Mr. Mukherjee announced that the eight per cent excise duty imposed ad valorem on non-specified articles of plastics in the budget would be withdrawn and those articles will now be fully exempted from duty.

The finance minister fully exempted from excise duty printed boxes of craft paper, mill board or straw board or a combination of them. This, he said, was done to afford some relief to small manufacturers of printed boxes who were affected by the budget proposals.

Mr. Mukherjee announced that asphalted roofing sheets used for the construction of relatively cheap dwelling huts and structures are fully exempted from excise duty.

Income up to Rs. 2,000 from investment in deposits in commercial banks of one year maturity or more and the government securities will be exempted from income-tax. The concession will be available in addition to those already announced in the budget. This revenue loss would be about Rs. 11.23 crores in 1981-82.

Mr. Mukherjee announced that small manufacturers of synthetic organic dyestuff whose turnover is within Rs. 2.5 lakhs per annum would be exempted from excise duty. In the budget the exemption limit was up to Rs. one lakh annual turnover. The general excise duty concession scheme applicable to manufacturers of 20 specified commodity groups has been extended to small assemblers of cassette tapes.

Pairs of pens and ball-point pens as also spectacle lens are fully exempted from excise duty. The excise concession announced in the budget for pairs of footwear costing up to Rs. 30 is now extended to pens used in the manufacture of footwear.

FOR INDIANS ABROAD

The provisions enabling non-resident Indians and persons of Indian origin to get tax exemption of investment in foreign currency in specified savings certificates is to be modified to make the concession available only where the investment or remittance by way of gift is made in convertible foreign exchange. Basic excise duty on small bottles of aerated water has been reduced from 40 per cent to 20 per cent.

Mr. Mukherjee said he proposed to make exemption of capital investment bonds from wealth tax available for an assessment year if the bonds were owned by taxpayer from the date on

which he subscribes to the bonds or for a period of at least six months ending with the relevant valuation date whichever was earlier.

Mr. Mukherjee said it had been represented that the levy of 40 per cent basic duty on some goods which would now get classified under item 15(A) of the central excise tariff would adversely affect certain segments of the industry.

Accordingly, he proposed to fix a lower concessional rate of 10 per cent ad valorem on chlorinated rubber, ester-gum and dextran. However, when chlorinated rubber, ester-gum and nitro cellulose are used in the manufacture of paints falling under item 14 of the tariff, the credit of the duty paid on them is being allowed.

Also linosyn and ester gum produced and used captively in the manufacture of paints and varnishes are being exempted from duty.

Mr. Mukherjee said it had been represented that the increase in auxiliary duty by five per cent ad valorem on imported viscose filament yarn would push up the cost of large number of art silk fabrics. He therefore proposed to withdraw this increase.

INCENTIVE SCHEME

He said he was gratified that the incentive scheme applicable to certain specified commodities which he had announced in the context of current year described as productivity year had been widely welcomed. However, it had been urged that some more commodities should be included within the purview of this scheme and some more modifications made.

Mr. Mukherjee said while these suggestions should be kept in view when rules are notified after enactment of the finance bill, it had been decided to include within the purview of the scheme steel ingots and iron and steel products manufactured by mini steel plants, industrial varieties of paper,

synthetic rubber, paints and varnishes and electric bulbs.

The Indian companies and resident non-corporate tax-payers, he said were entitled under the bill to exemption of 25 per cent of profits derived by them from execution of foreign contracts undertaken by them.

Some doubts had been raised that income derived from such foreign projects might also be eligible for exemption under section 80 (O) of the Income-Tax Act.

Mr. Mukherjee proposed to make a provision to clarify that no part of the consideration received by a person for execution of foreign project or income comprised in such consideration shall qualify for deduction under any other provision of the act.

It was, however, clarified that this concession would be available only in cases where the consideration for the project was payable in convertible foreign exchange and remittance to India up to 25 per cent of profits from the project was also made in convertible foreign exchange, he said.

Under the bill, tax concessions in relation to profits from execution of foreign projects was admissible only for specified conditions which were fulfilled by the taxpayer. One of the conditions was that the amount equal to 25 per cent of the profits and gains derived by taxpayer from foreign project should be brought by him in foreign exchange into India within six months from the end of the relevant accounting year.

Mr. Mukherjee said it had been represented that the taxpayer might not be able to comply with this requirement for reasons beyond his control. To avoid hardship in such cases, he proposed to empower the commissioner of income-tax to extend the time for remittance of funds in suitable cases.

SON SANN READY TO CONTINUE COALITION TALKS

BK250614 Hong Kong AFP in English 0527 GMT 25 Apr 82

[Report by K.S.C. Pillai]

[Text] Singapore, 25 Apr (AFP)--Cambodian nationalist leader Son Sann said here today that he was considering "new ideas" for the formation of a coalition government which would seek a political solution to the country's problems.

The former prime minister and leader of the Khmer People's National Liberation Front (KPNLF) told AFP in an exclusive interview that he would present such ideas at the next tripartite conference if one is held.

He said he was prepared to meet with Prince Sihanouk and leaders of the Khmer Rouge in any ASEAN (Association of Southeast Asian Nations) country to thrash out the idea of a coalition government which was originally agreed upon in Singapore last September.

He declined to comment on speculation that the tripartite meeting might be held in Kuala Lumpur, but said this would be one of the topics he hopes to discuss with Malaysian leaders.

Mr Son Sann, who had talks here yesterday with Deputy Prime Minister Sinnathamby Rajaratnam and Foreign Minister Suppiah Dhanabalan, is leaving this afternoon for Kuala Lumpur where he hopes to have talks with Foreign Minister Tan Sri Ghazali Shafie and other officials.

Mr Son Sann said the purpose of his visit to Singapore was to discuss future steps about the formation of a coalition government in which the republic's initiative had led to the agreement of last September.

Conceding that not much progress had been made in the 7 months since then, despite many meetings at various levels, Mr Son Sann said: "It is not easy because there are many differences.

"But we have the will, and despite our differences we have to do something to show the world our resolve, and particularly to impress Hanoi that they must withdraw from our country."

This, he added, "is the most important element."

The new ideas that he is formulating have to be discussed at two levels: With the friendly ASEAN countries (which also include Indonesia, Philippines and Thailand) and "our people in Cambodia at grass roots level."

He said he was in the KPNLF stronghold of Sokh Sann, which was the target of a recent major Vietnamese thrust, last week where he was given an enthusiastic reception by the 8,000-strong population, who had given him a mandate to continue negotiations for the formation of a coalition government.

Mr Son Sann expressed guarded optimism about the obstacles being cleared at the next tripartite meeting, but would not discuss details.

Asked whether the Khmer Rouge was still insisting, as he had earlier claimed, on its own conditions for a settlement, Mr Son Sann said: "We had differences in the beginning, but if we have this common view, we have to present some solution acceptable to everyone."

"We know what they can accept and they know our stand very well. So now we are seeking the advice of our friends (in the ASEAN) on a solution that will be acceptable to all."

The deadlock in the last 7 months appears to have been on the key issues of sharing of power and the insistence by the Khmer Rouge, which still retains the Cambodian seat at the United Nations in the name of "Democratic Kampuchea," on the acceptance of its institutions.

The Khmer Rouge subsequently dropped the latter condition but whether it is prepared to make adequate concessions on power-sharing to make the proposal acceptable to the KPNLF is not known.

CSO: 4220/586

BRIEFS

SON SANN RETURNS TO BORDER BASE--Bangkok, 28 Apr (AFP)--Kampuchean resistance leader Son Sann has returned to Bangkok enroute to his guerrilla base just inside Kampuchea's border with Thailand, resistance sources said today. Former Premier Son Sann, leader of the non-communist Khmer People's National Liberation Front (KPNLF), was now awaiting word from the two other main anti-Vietnamese groups on his proposal to resume negotiations on a coalition, the sources said. The KPNLF chief paid quick visits to Singapore and Kuala Lumpur in the last few days during which he said he was ready to attend a meeting with the other factions--the ousted Khmer Rouge government and a group loyal to ex-head of state Prince Norodin Sihanouk. [Excerpt]
[BK280413 Hong Kong AFP in English 0356 GMT 28 Apr 82]

CSO: 4220/586

USE OF FORCED LABOR ON AID PROJECT DENIED

BK210115 Bangkok NATION REVIEW in English 21 Apr 82 p 3

[Text] The Laotian Embassy yesterday criticized a decision by the Netherlands to stop funding a UN-sponsored irrigation project in Laos where political prisoners were allegedly employed.

"The Dutch Government should not cut the aid when the project is only halfway through. It should continue funding until the project is completed," the spokesman of the Laotian Embassy said.

The spokesman also denied that political prisoners were used in the irrigation dam at Baan Huey Tomo about 30 kms from Pakse. But he said that around "200 social deviates," are working there and all are paid with due wages. "There is no forced labour," he said.

Dutch Premier Adries Van Agt announced during his visit here that his government had stopped providing funds to the irrigation project which is being sponsored by UNDP following allegations that political prisoners were forced to work there.

Describing the allegations as a fabrication made by "a third party," the spokesman said Vientiane had not yet received any formal words from the Netherlands over the aid cut.

He also denied that Laotian Government troops had used chemical warfare against rebel forces as alleged in the press. He blamed the United States for fabricating the reports in an attempt to cover up its annihilation of the Indochinese people during the Vietnam war. "Why doesn't the United States mention anything about the unexploded bombs they left behind in Laos?" he asked.

The spokesman said that a large number of Laotian farmers were killed and crippled when they accidentally exploded the U.S. bombs dropped inside Laos during the height of the war in Indochina. Unexploded U.S. bombs could still be found in large number particularly in the northern parts of Laos, he said.

"We categorically deny that we are using chemical warfare against our people," he said and added that similar allegations against Vietnam were also groundless. Laotian rebel troops and the Khmer Rouge have reportedly been attacked by poisonous chemicals, known as "yellow rain" by the Vietnamese-backed forces.

Several Western countries are making independent studies of the issue while Thai authorities have already put the people on the border with Laos and Kampuchea on alert over the alleged use of chemical warfare by Vietnam.

DIVISION OF HARVEST IN COOPERATIVE NOTED

Vientiane HENG NGAN in Lao 1-15 Feb 82 pp 13, 15

[Article by "Golden City": "This Year's Production Is More Than Last Year's"]

[Excerpt] It is a shelter with a tin roof, and it is also the place where the rice of the agricultural cooperative unit is stored. Bounseng Chanthavong, director of the agricultural cooperative committee of Ban Thana, told me that the agricultural cooperative unit of Ban Thana was set up at the beginning of the production season in 1978. At the beginning there were 36 families who were members. Later on in 1981-1982 our agricultural cooperative unit had 40 more families, with a total of 314 persons. There are 87 primary workers, and the crop-growing area is 35 hectares. There are 52 animals and 27 were draft animals. There is farming equipment, i.e., 27 plows and harrows. Meanwhile, we organized and divided the work into four production sections.

In the beginning of our production, even though we had to face several difficulties, there were still some bright spots. This is because the district agricultural sector paid close attention guiding and directing the plan for the production organization and also to agricultural methods using advanced technological theory. Thus, in the last rice farming season, we were able to harvest as much as 88 tons of production on 32 hectares. This is 27 percent more than last year's production. Of this production we contributed in agricultural taxes as much as 2,907 kg and 7,000 kg was reserved as capital in our cooperative; 4,200 kg was kept for seed for the next annual crop and dry season rice farming. The remaining 3,000 kg was divided up among the members according to their share of labor, old people and children. Also, we gave some to guerilla soldiers who are responsible for keeping peace and security in villages, 420 kg per soldier per year. Moreover, we carried out a policy to help the members in case of sickness, marriage, having a baby, etc.

9884

CSO: 4206/38

COMMENTARY CONDEMNS UNITED STATES, PRC

Vientiane VANNASIN [ARTS AND LETTERS] in Lao Feb 82 p 2

[Article by "Freedom"]

[Text] It has been more than 2,000 days since the young republic has become a steel-strong and diamond-hard outpost in this part of the world!

The smell of gunpowder, the smoke of burning paper and the poison gas of the American imperialists have not left the air and the mine craters have not yet been completely filled. There are still traces and ruins left. The bitterness and hatred from the sad past of the barbaric cruelty ignites an unforgettable flame in the hearts of those whose fatherland this is. This is why there will never be any time [for us] to put [our] guns down.

In order to protect those who are working hard to produce materials for society and to [help] the farmers and agricultural cooperatives fight against the dangers of draught and flood, intensive agriculture has produced millions of tons of rice to let cadres, government employees and intellectuals contribute their strength and knowledge to build up the nation, to let our students and youth go to school enthusiastically and happily and to have our younger generation taken care of with a bright future. All of these are the aims and the direction chosen by the party and our people in order to advance ourselves towards socialism. Therefore, always and everywhere we see the slogan "for the work of constructing socialism and protecting the country," which lives in people's hearts.

Along the winding and difficult road of blood and sweat towards wealth and happiness for the nation, we must directly confront the dirty and insane tricks of the American imperialists in league with the Beijing reactionaries, are the most dangerous enemies of peace and socialism. More than 30 years ago Hitler once stated this thirst and greed, that Germany, Germany must be above everything. Now in Beijing [they] are mobilizing the Chinese people with the slogan, "Our party, our army, our people are the sun. This sun must shine all over the world!"

This means that from the beginning the war of aggression, spies and psychological warfare and the turn towards peace have become two sharp knives from the north and the west piercing the republic which is still

bleeding from the 30-year war started "by these allies. They ceaselessly try to destroy and work against our Lao People's Democratic Republic, aiming to weaken our nation first and later on [they] will infiltrate and swallow up our country" (Kaysone Phomvihane). Therefore, the saying, "The nation—the outpost of socialism," is familiar to all Lao people. Like the air we breathe, no one can ever forget it.

Once more the Lao People's Liberation Army, the regional forces, the guerilla militia forces and all the people are shouldering this honorable burden and exalted responsibility with loud and firm acclamation. [We will] sacrifice [our] flesh and blood and lives, but we absolutely will not give up one inch of our land!

All combatant heroes who freed our nation in the last war, for example, Comrade Sounthon of Battalion 1; Mrs Bouakham of the women's ground artillery forces; Mrs Maivong, a combatant of Xieng Khouang; and comrade Alok of Battalion 598, not only commanded the army to liberate Nongkhang, Chomkoup, Tathoi (east of Sam Neua District) and the Plain of Jars, Vientiane, but also commanded the huge army marching towards socialism!

Their heritage has been passed on to many comrades who are combatants during peacetime, combatants for socialism! Every time the enemy rears its head against us they are badly defeated by our army and the people, for example, when they used force to threaten, provoke and capture some border areas in the northern region and along the bank of the Mekong River, sending in their spies and underground bullies to sabotage peace in population bases in some towns, localities and mountainous regions, along with their military threats. They still carry out economic warfare in order to stop the expansion and advancement of our new regime. They use psychological warfare to bribe, agitate and shatter the domestic and tribal unity and the unity of the army and the people and to break up the special militant solidarity between Laos, Vietnam and Kampuchea, as well as the unity of Laos and the Soviet Union and other socialist countries.

Not only are our brave combatants those who destroy their deeds, but they are also economic combatants. We see them in many different areas producing or building in Xieng Khouang or Viengsai in many settlements such as embroidery factories and repair shops. Every minute they have to shoulder guns, but their hands actively and enthusiastically hold machines and sickles, while concealing their decisive strength as that of a diamond. Their eyes look towards the distance up to the blue sky of peace and independence. Whenever the Mekong River becomes agitated they have to be aware and alert!

In order to be worthy of the honor that the nation, history and period have assigned to them, the heroes of the republic are a strong bulwark of socialism.

9884

CSO: 4206/38

LAO STUDENTS FROM AUSTRALIA INTERVIEWED

Vientiane NOUM LAO in Lao 15-30 Jan 82 p 19

[Interview with Lao Students from Australia, Chaleun and Malikeow, by a correspondent; date and place not given]

[Text] NOUM LAO: Pardon me, could you tell us your names?

Students: Chaleun and Malikeow.

NOUM LAO: Where are you from and when did you arrive?

Students: We are from Australia and we arrived here on 30 November 1982.

NOUM LAO: Why did you come here?

Students: We came to visit our families.

NOUM LAO: Have you been anywhere yet?

Students: We went to visit our parents' families in Don Kheow, Thakhek Province. [as published] We also went to visit many construction sites, especially where there are former students from Australia, for example, the Nam Ngum hydroelectric dam, the Nam Xouang reservoir project and the Latkhwai pig-breeding station.

NOUM LAO: What were your activities with your families?

Students: We had house ceremonies, Basi well-wishing ceremonies, get-togethers, etc.

NOUM LAO: And how about your friends?

Students: We discussed many things. In addition, we just had get-togethers and good times and ate together happily. We regret that we have so little time here.

NOUM LAO: Where do you live over there? What city and state are you in?

Students: We are in Melbourne, in Victoria State.

NOUM LAO: What is your occupation over there?

Students: We are students.

NOUM LAO: What are you studying?

Students: I am studying civil engineering and my wife is studying government affairs.

NOUM LAO: How did you feel when you arrived in our country?

Students: We felt warm and happy to see our country in good condition and how it is progressing and expanding steadily, which is the opposite of the propaganda we heard over there.

NOUM LAO: How do you feel about living in another country and how do other Lao students feel about this?

Students: We miss our families very much. All Lao people there also miss their homeland. There is nothing to replace it.

NOUM LAO: When will you go back?

Students: This 1 January 1982.

NOUM LAO: Have a safe trip!

9884

CSO: 4206/38

PAKISTAN-JAPAN ECONOMIC COOPERATION EXAMINED

Karachi BUSINESS RECORDER in English 29 Apr 82 pp 5, 6

[Text]

Japan has a long-established and flourishing relationship with Pakistan in the economic field. Japanese economic relationship may be classified into two main types:

(1) Official Development Assistance (ODA) and Technical Cooperation, offered to Pakistan on Government-to-Government basis since the end of 1961.

(2) Private Sector-based economic cooperation including trade which has been in existence for three decades.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

Japan is a member of the Aid-to-Pakistan Consortium. In this capacity, she has been extending capital assistance to Pakistan since November 1961. Till December 1979 Japan had provided a total of 250.26 billion yen in Official Development Assistance (ODA) to Pakistan.

Japan is acutely conscious of the difficulties faced by Pakistan following the massive influx of Afghan Refugees as an aftermath of the extraordinary conditions prevalent in her neighbouring country. Appreciating the importance Pakistan has assumed for peace and security in this region of the world, Japan decided to enhance substantially its ODA to Pakistan and, in FY 1980-81, pledged a total of 32.56 billion yen which was more than double the amount committed in FY 1979-80. Having become the No. 1 donor country for Pakistan during 1979 when her economic and

technical cooperation accounted for 40.3% of the total foreign bilateral assistance received by Pakistan that year, Japan has held this position in fiscal years 1980 and 1981. It was ahead of some international agencies during the fiscal year which has just ended, in March 1982, with its total aid for the period amounting 44.4 billion yen (US \$ 194 million).

Official Development Assistance comprises three main categories (a) Project Loans which accounted for 34.3% of the 1981-82 ODA, (b) Commodity Credits which formed 34.5% of fiscal 1981 assistance and (c) Grant-in-aid which were 18.6% of the total aid in FY 1981-82.

(a) Project Assistance

Since February 1977 the two countries have signed 11 agreements under which Japan has placed a total of 71.4 billion yen for financing the projects named below:

Fiscal Year	PROJECT	AMOUNT (in Million Yen)
1976-77	Thatta and Daudat Current Plants	10,500
1977-78	(i) Electronic Switching Systems	1,900
	(ii) Gas Turbine Power Station, SITE, Karachi	6,500
1978-79	(i) 397 Bulldozers	4,000
	(ii) 7 cargo vessels (Special Yen Loan)	18,000
1979-80	Extension of Kotri Gas Turbine Power Station	2,400
1980-81	(i) 38 Diesel Electric Locomotives	9,000
	(ii) Hydrographic Survey Vessel	3,000
1981-82	(i) Upgradation of 500 KV Transmission Line	12,200
	(ii) Extension of Quetta Gas Turbine Power Station	2,000
	(iii) Coastal Microwave System for Baluchistan	1,900
		71,400

(b) Commodity Credits

Since 1976, when the Overseas Economic Cooperation Fund (OECF) of Japan took over the responsibility of managing Japanese ODA to assisted countries, a total of 68,438 billion yen (US \$ 295.8 million) has been made available to Pakistan for the purchase of commodities under nine separate agreements.

During this period, Japan has been improving the Terms governing these Credits. Rate of interest has been reduced from 3.5% to 2.75% per annum; repayment period has been increased from 25 years to 30 years, with ten years as grace instead of seven.

Japanese commodity credits provide considerable help to Pakistan in coping with its balance of payments difficulties. The scope of eligible commodities is very wide, enabling Pakistan to purchase almost anything it needs.

The coverage of eligible source countries is also very wide and includes all the LDC and OECD countries. In 1978-79, purchases under Japanese commodity credit were made among others from Japan (34%), Saudi Arabia (19%), West Germany (12%), USA

(11%), Qatar (7%), Spain (5%), UK (2%) and Korea (1%).

(c) Grant Assistance

Japanese Grants-in-Aid to Pakistan since January 1977 have totalled 28,697 billion yen (US \$ 125.7 million). These were extended to finance the social welfare oriented projects of Pakistan in the fields of Telecommunication Research, Malaria Eradication, Medicine, Water Supply and Road Construction. These included grants for promotion of food production (¥ 9,200 million) and as Debt Relief measures (¥ 2,597 million). Significant grant-aided projects were:

(Amounts in million Yen)		
1.	National Logistics Cell (Truck, Trailers, Road Construction Machinery and Workshop Equipment)	3,700
2.	Building and Equipment for Central Telecommunication Research Laboratories, Islamabad	2,200
3.	Oratory for Baluchistan	2,000
4.	Malaria Eradication Programme	1,700
5.	Centre of Excellence in Pakistani Universities	1,000
6.	Improvement of Medical Facilities	930
7.	Sarnas (Baluchistan) Drinking Water Supply Project	350
	Other Projects	3,000
	Total General Grants	16,900
	Food Production Increase Grants	9,200
	Debt Relief Grants	2,597
	Total Grants-in-Aid	28,697

(d) Debt Rescheduling

Japan has, on several occasions since 1972, extended debt rescheduling facilities to Pakistan. Between October 1972 and October 1977, seven debt rescheduling agreements totalling 46.1 billion yen, were signed between the two countries. In addition to the package of expert advisory services, training of counterpart personnel and equipment donation the Central Telecommunication Research Laboratories in Islamabad (CTRL) have been established under this scheme. Japanese cooperation for CTRL will continue till March 1984. Japan is now considering to provide such cooperation for the Pakistan Industrial Technical Assistance Centre (PITAC), Lahore, also.

Private Economic Cooperation

Private Sector-based economic relations between Pakistan and Japan may be classified into two main categories: (a) Trade and (b) Business Extension Activities.

(a) Trade

Trade between Pakistan and Japan is an important feature of their economic relations. Reviewing the five-year period from 1976-77 to 1980-81, it is evident that Japan has maintained its position as the Second or First topmost trading partner of Pakistan, sharing from 12.25% to 9.74% of Pakistan's global trade during this period.

PAKISTAN — JAPAN TRADE

	(In Million Rupees)				
	1976-77	1977-78	1978-79	1979-80	1980-81
Imports from Pakistan	912.6	1,107.9	1,669.8	1,812.7	1,877.3
(Share)	(8.1%)	(8.5%)	(9.9%)	(7.7%)	(6.6%)
Exports to Pakistan	3,291.6	3,322.4	4,148.7	5,422.4	6,187.8
(Share)	(14.3%)	(11.9%)	(11.4%)	(11.5%)	(11.5%)
TOTAL	4,204.2	4,430.3	5,818.5	7,235.1	8,065.1
(Share)	(12.25%)	(10.86%)	(10.9%)	(10.28%)	(9.7%)
POSITION	II	I	II	I	II

Major items exported by Japan to Pakistan include road motor vehicles, iron and steel and its products, machinery and man-made fibre. Japan's imports from Pakistan consist mainly of raw cotton, cotton yarn, leather and fisheries.

(b) Business Extension activities

The investment climate in Pakistan over the past few years was not necessarily attractive for the Japanese entrepreneur. However, the interest of Japanese businessmen in Pakistan is being served and already two business ventures with Japanese collaboration have been sanctioned for Karachi by the Export Processing Zones Authority.

Japanese automobile concerns are collaborating with their Pakistani counterparts for the progressive manufacture of transport machinery in Pakistan. Recently a tri-lateral collaboration between Japan, Pakistan and Qatar has started production of glassware near Lahore.

CSO: 4220/597

CRITICAL LOOK AT POLICE ORGANIZATION AND ROLE

Lahore THE PAKISTAN TIMES in English 30 Apr 82 p 6

[Text]

Punjab Governor Lt-Gen. Ghulam Jilani Khan, inaugurating a Police Training Conference in Lahore the other day, provided an excellent citizen's view of the police department. He called upon police to iron out the shortcomings of procedure and practice to pave the way for the achievement of good standards of training and leadership. He referred to the 1969 Mitha Commission Report and opined that some of the findings in it about the inadequacy of organisational and training methods were still valid. The force lacks structural mechanisms guaranteeing research and planning; above all, training currently received by the manpower in police remains unrelated to actual work in the field. Not only is there a lack of enlightened leadership inside the department but an absence of professional motivation and esprit de corps has gradually eroded the irreducible element of comradeship needed to hold it efficiently together. Outmoded training techniques are papered over with excessive regimentation which kills initiative and minimises the capacity of police to meet the complex challenge of the times,

diverting it from the use of investigative skill to indiscriminate coercion.

After having catalogued a whole range of maladies the Governor held out the prospect of diagnosis and remedy by announcing that the Government would be taking measures to improve training and sort out the organisational and structural problems of the police department. It is common knowledge that at Sihala where the federally selected ASP's, provincially recruited ASI's and the constables receive initial training, instruction through subalterns is anything but satisfactory. Postings to research and training institutions are considered punitive and professional expertise is not applied where it is crucially needed. Unlike the army, special training courses are not made compulsory for vertical movement of the personnel and hardly ever count towards promotion. Structurally, the department is riddled with anomalies: it is a provincial department with federal trappings; it is a civilian executive with a para-military profile; above all, it is an organisation polarised against itself in the shape of apex-forming PSP offi-

cialdom and a large body of low and medium-level promotee officers. There are vicious bottlenecks of promotion with no competitive devices to overcome them, leading to frustration in the ranks and ultimate corruption. The higher echelons do not serve at the police station level, allowing the lower cadre to set the tone of its functioning, thus making it difficult for a respectable citizen to approach this nerve-centre of the community with confidence and without fear of harassment. The Governor has stated that efforts will be made to give a better rank structure to low-grade policemen who perform duties of crucial importance and therefore achieve social significance disproportionate to their status in the service. This measure would correct the basic paradox of the department as an organisation with the widest scope of public dealing. Together with this, if the promotions of provincially recruited officers are institutionalised and not left to chance, the police department will begin to demonstrate the team spirit and moral motivation it seems to lack today.

GROWTH FIGURES QUESTIONED; SENSIBLE PLANNING, CREDIBLE GROWTH STRESSED

Islamabad THE MUSLIM in English 24 Apr 82 p 4

[Text]

In recent days, the Government has been busy in an exercise in self-congratulation for its performance in agriculture. This may be justified to an extent, but it is necessary to caution the Government against any kind of complacency in the agricultural sector. Undoubtedly, the output during the last three years has been quite good. Apart from the self-sufficiency achieved in wheat, the stagnation in rice production has ended raising the output in the current year to 3.2 million tons from the average of 2.9 million tons. Sugar production at a record 12 lakh tons is an improvement of close to 50 per cent over last year's output. But the fact remains that even while farm output or income is increasing by 4.8 per cent, population is increasing by 3 per cent. Hence the net increase in food per capita is small in a country with one of the lowest per capita incomes in real terms. So not only the number of mouths in the country is increasing but also the demand for more and better food from persons who can afford them. As the money supply in the country increased by 100 per cent during the last four years, the demand for more and better goods has to increase at a very rapid pace.

Pakistan has also to make rapid progress in vital areas like vegetable oil, on the import of which, around Rs. 3 billion are being spent annually. Similarly, it should be able to develop the larger crops without sacrificing the growth of the small crops. While the increase in the output of some small crops is marginal, other crops have recorded a substantial fall in production. The output of pulses and grams in particular has to be stepped up with real determination and efficient organisation. Contrary to earlier pronouncements, Government spokesmen now say that in addition to the 22 million hectares under cultivation, 11 more million hectares of barani land are to be brought under the plough. If mechanised cultivation is practised in such areas, and agriculture is treated more like an industry, the output from such areas can be very large. But the dichotomy in the approach of the farm lobby becomes clear when it pleads for agriculture to be treated like an industry with its incentives and bonuses and yet demands that farm income be exempted from taxation. The farm lobby has to choose and decide either to keep the cake or eat it.

No less important than bringing more areas under cultivation is preventing the excessive salinity and water logging that is eating up large areas of cultivable land. When such maladies render 50 to 80 per cent of the farm areas in some regions a waste, the grief of the farmers is great indeed. And when some of the water logging is the result of seepage of water from the canal network, to the extent of 40 to 50 per cent, it is a double loss that must be curtailed. Any doubling or tripling of the agricultural output demands a tremendous increase in the use of fertilizers. Fertiliser production has to increase more rapidly than it is doing now, so as to cut down the import bill of 354 million dollars paid last year.

Common sense demands that there should be farm belts for vegetables and fruits around the major cities, particularly Karachi. But most of the cities of Pakistan are now afflicted by a water shortage, and the shortage is getting worse. In a similar manner, the farm areas with their tube-well and other agricultural equipment are often handicapped by the shortage of electricity. Hence any kind of rapid increase in agricultural output and yield per acre demands a steady improvement in the infra-structure facilities. It is equally imperative that the people should be fed not only the growth figures in agriculture, but also the fruits of such growth. If in spite of a record output of sugar, and an increase of nearly 50 per cent over last year, the people are subjected to a meagre ration of 800 grams or less per month per head they are bound to be unhappy instead of rejoicing over our growth performance. Hence let sugar rationing go forthwith or let the sugar ration be increased substantially to make the "remarkable growth" story more credible.

CSO: 4220/596

UNPLANNED GROWTH OF TEXTILE MILLS DISCUSSED

Islamabad THE MUSLIM in English 29 Apr 82 p 8

[Article by Jawaid Bokhari]

[Text]

KARACHI, April 28: Some 50 new textile mills, with a combined capacity of 850,000 spindles, have been set up between 1977 and 1981 whereas a dozen applications for installation of new units are awaiting official sanction.

Besides a sum of Rs. 500 million has been invested in modernisation of obsolete equipment. In the textile sector on the whole, the investment totals over Rs. 1,500 million. These include garment manufacturing units.

These facts were revealed by Aftab Ahmed, Chairman, All-Pakistan Textile Mills Association, at a seminar on financial and managerial performance in the textile industry organised by the Management Association of Pakistan. Mahmood Farooqui member, Pakistan Banking Council presided.

Mr Aftab claimed that the official policies of the previous regime led to "stagnation and retardation" in early 1970's in the textile industry which responded 'quickly positively and adequately' to fiscal concessions given by the present government.

He said the challenges posed by sickness were met by opting for a change in ownership and management and by preference for investment of profits in modernisa-

tion of old equipment rather than resorting to distribution of dividends.

The APTMA Chairman revealed that ownership of as many as 30 units or over 600,000 spindles had changed hands. Some of the sick units had been rehabilitated under new managements whereas others were under revival.

Talking on 'marked improvement' in the performance of the textile industry, he said 40 mills had declared pre-tax profits in 1979-80 against 34 in 1976. The number of units with pre-tax losses was reduced from 28 to 22.

Mr. Aftab also noted that exports of cotton yarn increased from 60 million kilograms in 1975-76 to 100 million kilograms in 1979-80 and that of cloth from 416 million square metres to 565 million square metres.

The APTMA Chairman traced the growth of the textile industry from a mere one lakh spindles and 3,000 looms in 1948 to 4 million spindles and 22,000 looms in 1980 and observed that 'the textile industry became the engine of industrialisation.' In our single-crop cotton economy, he added it played a pivotal role contributing to 8 per cent to the GNP, 40 per cent to the total employment in the large-scale manufacturing sector 20 per cent of share of

industrial sector to the GNP and 25 per cent of the country's foreign exchange earnings.

In a forthright speech, Mr. Aftab frankly admitted 'a great lack of management expertise in the whole cotton textile industry.'

'As a consequence,' he added, 'there is only a small middle management or supervisory class that is capable of taking even routine day-to-day decisions.'

He said management of the textile industry was unprepared to face the sudden reversal of the official policies in early 1970's the devaluation of 1972, the PPP labour policies and the international recession.

Mr Aftab however observed that the industry was now faced with a 'relapse' because it had to pay more for our own domestic cotton than foreign competitors.

Earlier, Mahmood A. Farooqui, member Pakistan Banking Council, who presided over the seminar proceedings observed that 'machine usage' in the textile industry was "poor". The wastage both usable and non-usable in spinning and weaving is about the double the average international standard. If we can reduce this by 25 per cent,' he added 'the output would equal 20 sick mills becoming healthy.'

PRIVATE SECTOR IN EDUCATION WELCOMED, BUT CAUTION URGED

Lahore THE PAKISTAN TIMES in English 29 Apr 82 p 6

[Text]

The Punjab Governor has stressed the need for greater private sector involvement in the field of education. Entrepreneurial encouragement forms part of the national policy aimed at speeding up the pace of economic development. Expansion of the role of private enterprise is a prerequisite for increasing the growth ratio which is below its potential level. This realisation is founded on the economic realities of underdeveloped countries where scarce resources and population pressures inhibit the public sector's development endeavours. Pakistan is no exception. Experience shows that while Government initiative is an important factor in accelerating progress, the role of the private sector in promoting and sustaining its tempo is critical. This fact is

particularly relevant to the education sector where despite enhanced resource allocation no marked improvement in the availability of the requisite facilities is visible. Most of the countryside is without any educational cover at all. Even in many city institutions hundreds of students attend classes under trees and staff strength is far from adequate. Because of shortage of schools, thousands are denied admission every year, making it difficult for us to achieve the goal of universalisation of education. In many areas philanthropists have come forward to supplement the Government's education expansion programme, but these efforts do not go far enough to cater to the ever-increasing demand.

The present situation underlines the need for step-

ped-up private participation in plans geared to provide the necessary facilities in the educational sphere. Towards this end, some concessions have recently been announced. Spelling out the objectives of educational expansion, the Government has time and again ruled out any future nationalisation and, given a call to the private sector to open new institutions as a way to fill the educational gap. However, while encouraging private enterprise in education, there is need to guard against the evils of crass commercialism creeping into the field. For this purpose, it is necessary to set up a regular system of inspection to ensure that new institutions do not degenerate into mere money-making projects and that the rights of the staff are adequately protected.

DETERIORATION IN BUDGETING STANDARDS

Lahore THE PAKISTAN TIMES in English 30 Apr 82 p 11

[Text] April 29--The Public Accounts Committee in its annual report for 1978-79 has again pinpointed deteriorating standards of budgeting which it says has not improved despite reminders in previous years. This was indicated from large variations in the actual expenditure from the budget estimates. In many instances supplementary grants were wholly or partially unnecessary.

The report has given a detailed account of the defects or irregularities in financial management. Its main features are poor standard of budget estimation, unwarranted supplementary demands, injudicious surrenders, excessive savings and heavy excesses in expenditure beyond sanctioned allocations and expenditure incurred in anticipation of technical sanction.

Giving details of the excesses in expenditure beyond sanctioned allocations the report points out that these excesses were inordinately high, in some cases running into several lakhs in each grant.

The report adds that 42 instances of expenditure totalling Rs 82.50 crore was incurred during 1978-79 in excess of sanctioned grants which call for regularisation under Budgetary Provision Order 1978. Such excesses in 1977-78 amounted to Rs 124.4 crore. The committee is loath to observe a tendency among the ministries to incur expenditure without legal authority. One reason for this serious financial indiscipline is that those indulging in it have been getting away with it.

The committee comments that such huge excesses are a clear pointed to the prevailing financial indiscipline in ministries and departments and would seem to be defeating the object of the arduous exercise of preparing the budget and making budgetary allocations. They may signify the failure of the accounting officers in exercising proper and effective control over expenditure.

In respect of the big excess of Railways the Committee directed the Ministry of Railways to examine the position and suggested that a few flagrant violations of rules must be dealt with sternly to set an example for others.

The Committee has further proposed that this tendency should be curbed and a committee consisting of representatives from the Finance Ministry, Audit and ministries which may be the biggest defaulters should study the problem thoroughly and suggest remedies. The responsibility of overspending rests primarily with the spending agency and no authority is empowered to incur expenditure beyond the provisions of the budget, the report says.

The PAC further notes that expenditure incurred on works in anticipation of technical sanction amounted to Rs. 3394 lakh in the case of Pak PWD on 421 works during 1978-79 as compared to 134 works involving an amount of Rs 1433 lakh in 1977-78 and 201 works costing Rs 2136 lakh during 1976-77.

The Public Accounts Committee fully endorses the view of the Auditor-General that in the absence of the technical sanctions it is not practically possible to vouch that the works were feasible, technically sound and executed at the minimum possible cost. This growing tendency cannot be too strongly deprecated and a half must be called to this practice.

Classic example, citing another example of gross negligence in financial management, the PAC takes up the case of Pakistan Post Office Department which in their final accounts showed a surplus of Rs 470 lakh against the anticipated loss of Rs 558 lakh. The Committee was pleasantly surprised to see the reported surplus duly certified by the Director-General Post Offices, because it was rather unusual for the Post Offices Department to make a profit. However, a cursory probe showed that like previous years there was in fact a loss of Rs 400 lakh. The Committee has directed the Ministry to look into this serious negligence.

CSO: 4220/597

MAJLIS-E-SHOORA CALLED EXERCISE IN 'MARKING TIME'

Islamabad THE MUSLIM in English 25 Apr 82 p 4

[Text]

IN the absence of an elected Parliament and a normal political process, even the recently concluded proceedings of the nominated Majlis-e-Shoora were followed with some interest. While the Shoora, on all issues, went through the motions like any other parliament, the absence of popular sanction and its lack of substantive power weighed heavily on its members. This drawback notwithstanding, the debate in the Shoora was, in parts, lively with the Question Hour producing some revealing answers. For example, the Information Minister disclosed that over 1.1 million rupees were expended towards production of the White Papers against the previous regime. Or that over 25 per cent of Pakistan's Ambassadors abroad are retired officers of the Armed Forces. The varying attitude of members reflected their heterogenous backgrounds. Some members seemed keen to win the "best debator's" trophy with long discourses. Others apparently came only to enjoy state hospitality, exemplified by VIP treatment and endless rounds of dinners. However, there seemed to be an attempt by some to prove that they were not "yes men." Among Ministers there were those who did their homework very well, while some others fell in the 'also ran' category.

Given the performance and role of various members, three categories of Federal Councillors can be identified. There are the political has-beens, who in their later years feel like reviving the glories of days gone by. Then there are those non-entities for whom Shoora membership entitles them to access to officialdom, if nothing else. Finally, the Shoora comprises scions of landed or business families. Among them, a common denominator is youth (thirties to forty-plus) plus ambition. These "young Turks" view the Majlis-e-Shoora, as a stepping-stone to something bigger and better in the future.

While discussing this session, important questions remain unanswered. All these questions stem from the premise that the Majlis-e-Shoora can, in no way, be a viable substitute to a popularly-elected Parliament. Will it continue to mark time as a glorified debating society or will it be allowed to emerge as a "loyal opposition"? Some see it providing the nucleus of a "King's Party" which could then perform carefully designated functions in a regulated political process. The sooner the concept behind the Shoora is clarified the better it would be. In this regard, we are reminded of American comedian Will Rogers classic comment on the United States Congress: "When it makes a law, it's a joke and when it cracks a joke, it becomes a law." The Majlis-e-Shoora did crack a lot of jokes during its recent session but, of course, none of these became a law.

CSO: 4220/596

DELAYS IN DENATIONALIZATION REPORTED

Islamabad THE MUSLIM in English 28 Apr 82 pp 1, 8

[Article by Jawaid Bokhari]

[Text]

KARACHI, April 27: Snags holding up denationalisation of State enterprises are unlikely to be removed with the widening of the conflicting views of officials and the private sector on the modalities of transfer of ownership, knowledgeable quarters said here today.

Officials want assurances of the private sector that their revenues would not drop by transfer of ownership of State enterprises and that labour would not be retrenched so as to maintain industrial peace.

Informed sources said Lt.Gen. Saeed Qadir, Federal Minister for Production, is understood to have told a meeting of the officials, convened by the Deputy Chairman Planning Commission Dr. Mahbubul Haq to consider Annual Development Plan for 1982-83, that he was prepared to denationalise provided firm assurances were given by the private sector on issues like tax and labour. The General attended the meeting as an observer.

Private sector, which has been clamouring for hiring and firing power, feels that the State enterprises are overstaffed and that it was collect taxes and not the business of the Ministry of Production. It also shows lack of confidence in the entrepreneurs.

Officials wanting to retain State

enterprises in the public sector marshal comparative figures of tax collection before and after nationalisation and hold the view that tax revenue would drop sharply if these units are returned to their erstwhile owners.

Some experts say that it was tax-evaded money, officially allowed to go into productive investment, that has helped capital accumulation and investment in private sector.

Others also view with dissatisfaction the mass retrenchment resorted to by one or two denationalised units. Sometime ago the Federal Minister of Production is reported to have said that the government was prepared to denationalise all State enterprises but would not give them away at throw away prices.

Bids from private sector for industrial units offered for sale, like the special steel mill at Karachi, have been found to be unattractive by the officials. These bids have been rejected because they were considered to be too low, with down payments confined to paltry sums the burden of the liabilities, proposed to be retained by the semi-government financial institutions, and the prospective purchaser being unable to even provide required bank guarantees and other securities.

Yet another issue dividing the private sector and officials is the system to determine the price of shares to be transferred. Whereas the government has laid down that the shares will be sold on the basis

of break-up value or market value, whichever is higher, the nationalised units were taken over on the basis of break up value or market value whichever was lower. This is being termed by the prospective buyers as against equity and justice.

An unsuccessful bidder for a State enterprise said there were no modalities for transfer of ownership. Each case was examined on what is described as individual merit. Two re-rolling mills were denationalised whereas others have been retained by the government.

Officials have been talking of selling one profitable unit along with a sick unit but when one of the erstwhile owners asked for a profitable unit, along with a sick unit offered, for sale to him he was told that particular category or industry would not be denationalised.

Some industrialists are so convinced that there would be no denationalisation and disinvestment that they bid for projects offered for sale only to show to the government that they are interested in making new investment though they are preoccupied with their new trading activities.

A section of the officials believe that the previous regime had destabilised the private sector and denationalisation would destabilise the public sector which was now making a positive contribution to the national economy. The private sector, it maintains, should be encouraged to invest but not at the cost of state sector.

CONSUMER TRENDS TOWARD LUXURY ITEMS DEPLORED

Islamabad THE MUSLIM in English 28 Apr 82 p 4

{Text}

Economic planners formulating ambitious, or even realistic, development plans in Pakistan immediately come face to face with the paucity of financial resources. Even when federal and provincial taxation exceeds 20 per cent of the Gross National Product in reality after the outlay on debt relief and defence not much is left for development. Even the resort to deficit budgeting on a sustained and substantial basis, has not helped to improve the resource availability in a significant manner.

The new Vice-Chairman of the Planning Commission, wants to increase the allocation to the key sectors of the economy. He wants to raise the financial allocation for education to . per cent of the GNP from the abysmally low 1.7 per cent, to increase the outlay on public health substantially, to provide far larger funds for development of rural areas, and to help the 30 million "absolutely poor who are living at the very margin of subsistence". Achieving such large but very essential ends needs tremendous financial resources under the present socio-political pattern. A total national mobilization towards such goals can be helpful, but that is not possible in a rigidly controlled society. Hence the Vice-Chairman calls for only "community participation". He is being realistic. Certainly not much can be achieved towards mobilising far more resources in a country with domestic savings of 5 to 6 per cent of the Gross Domestic Product even after it receives 3 billion dollars in cash and kind as home remittances of our workers abroad. The fifth five-year plan anticipated domestic savings to rise from 7.8 per cent in 1977-78 to 12.5 per cent of the G.D.P. in 1982-83. What has been happening, instead, is a fall in the savings resulting in a rate of savings below 50 per cent of the plan target. Similarly, national savings were expected to rise from 12.6 per cent in 1977-78 to 16 per cent in 1982-83. After a fall in savings initially, it reached 12.9 per cent in 1980-81, and that, too, was an illusory figure as the entire home remittances of Pakistan were treated as national savings, including the one-third they save and invest, including homes and lands bought at very high prices.

Planners and financial experts blame the low domestic savings rate, compared to 23 per cent in India, for example, on the rampant consumerism in Pakistan. The basic problem now is how to reduce ostentation, to curtail wasteful and exhibitionistic consumption, and promote larger savings and in-

vestment in productive channels. Undoubtedly the feudal pattern of the society encourages high consumerism and ostentation. The emigrants and their dependents who bring in their billions home want to display their success symbols conspicuously. These are problems enough, and the increasing crime and corruption are their apparent fall out. But the official practice, if not the avowed policy itself, makes a direct contribution to increasing consumerism in the country. What are the million TV sets and two million Radio receivers in the country doing, if not promoting consumption of luxuries and non-essential items in a big way? It is one thing for the people to be allowed to consume what they want and quite different for the state media to promote the sale of needless items, most of them either imported or having a large import content. Must TV and Radio promote mass consumption of cigarettes, tea and soft drinks of foreign origin? Must they popularise toilet goods, silk saris, jewellery, etc?

The Government ought to go all out to encourage Pakistanis abroad to send as much of home remittances as possible, but must they be enabled to bring in a variety of luxury items for sale and use the sale proceeds on consumption at home? As they are allowed to bring in cars, they prefer to import large cars as they fetch large profits. Similarly, they want to bring in more expensive electrical goods and VCRs as they promise larger returns to them. If, as a result, electric consumption is increasing by 20 per cent annually instead of 8 per cent, as our experts insist it should, it should not be surprising. The officers on their part, as Islamabad testifies, prefer building large luxury homes as they promise larger rent. And they have a preference for large staff cars as well, while privately they may use only small cars because of the high energy cost. Clearly such trends have to be reversed if ostentation has to be reduced, the large element of waste in consumption has to be curbed and more is to be saved and invested. A country with close to a million people entering the job market every year, while more than a third of its population lives at the margin of subsistence, cannot afford waste to become a national pattern. Change must come, but it must emanate from the Government. Only if it sets a worthy example will others emulate it.

CSO: 4220/596

MUSLIM MILITANCY, PAKISTAN'S ROLE IN MUSLIM WORLD VIEWED

Islamabad THE MUSLIM in English 18 Apr 82 p 4

[Article by Mustapha Kamal Pasha]

[Text]

That nation does not deserve the renaissance of Tomorrow which does not have in its destiny a Today - Allama Iqbal

The new wave of Muslim 'revivalism' sweeping across the Quranic belt has evoked varied and intense response in the citadels of Western Establishment. Ranging from unqualified fear to magnified contempt towards the alleged 'return of Islam', the West in general, and the media in particular, have displayed an enormous reaction against Islam unseen in history since the times of the Crusades.

The current crusade against Islam has played on several strings, including ingenious attempts at channelling Muslim militancy against a Soviet Satan bent upon expansion and world domination involving fragile, God-fearing, peace-loving Muslim states. That a resurgent Muslim self-confidence should impel such a blatantly irrational response is understandable if the latter is viewed in historical perspective. For anyone knowledgeable about the West's rather restricted vision of an archetypal exotic Orient, such valorisation of revolutionary currents in the Muslim World,

especially as demonstrated by the Islamic Revolution in Iran, should come as no surprise.

Throughout history the West's relation to 'natives' in the Islamic Orient, in which the West has always enjoyed an assumed superiority, unchallenged until only recently by a handful of small but assertive Muslim states, has been one of mistrust, suspicion and mutual misgiving.

In a sense the term 'revivalism' is a misnomer as it presupposes, at least chronologically speaking, an earlier demise of Islam and its resurrection in some Lazarus-like fashion. More importantly, 'revivalism' misrepresents contemporary revolutionary currents in several Muslim countries against local tyrannical regimes enjoying Western patronage. By drawing false parallels with mythical Islamic hordes subornedly seeking plunder or conquest of a civilised West, 'revivalism' is a white-wash over an urge among Muslim masses to transform their own societies much abused and corrupted by their Westernised or fast Westernising elites. Thus, 'revivalism' as a concept finding frequent currency in Western representations of militant Islam is a deliberate fabrication of the real threat the West faces alongside its 'westoxicated' Third World clients: a rejection of all Western models of development of their societies.

Muslim militancy is not a return to Islam or going back to some mystical roots. On the contrary, militancy means a break with a past marked by colonial ascendancy or neo-colonial arrangements; by seeking to establish a harmony with the ideals of an egalitarian Islam, (which would imply nothing short of a revolution), militancy advances a futuristic claim. Evidently, those who pronounce revivalist themes of Islam are protectors of the status-quo. In direct contradistinction to Muslim militants who want transformation of their societies, for revivalists Islam is an ideology in the service of imperialism and in domestic concretisation; for militants Islam is a material force uniting masses against a decadent world order and its local manifestations. For the first school of thought Islam is devoid of revolutionary current; the latter school of thought emphasises but Islam's revolutionary current. Revivalists see Islam as a static, unchanging, unchangeable, rigid dogma; militants see Islam as an active, changing, changeable force. Revivalists have no holistic conception of history, historical differentiation and change; militants believe in progress, human volition and interpretation. Militants are creators of tomorrow; revivalists are keepers of yesterday.

The new militant current in many parts of the Muslim World is not an aberration but a phenomenon with a history. Structures built in the past - that have historically favoured the West and its clients in the Muslim World have become too oppressive for politically aware masses to allow an uninterrupted

reproduction of those structures. While the Non Aligned Movement (NAM) can be seen as cry against an international political order in which the Third and Muslim Worlds have been treated as mere appendages or pawns in an East-West conflict, the demands for a New International Economic Order (NIEO) by countries of the South offers a representative example of rejection of the fundamental planks of an unjust international economic system on their part. Muslim militancy can be located within the wider context of international inequality and its effects on Muslim countries: on the one hand, and oppressive politico-economic structures and the international system, on the other. Militancy is not, as it is widely believed, a reckless consciousness of Muslim masses for a return to 'fundamental' Islam, but a purposeful consciousness of Muslim masses against oppressive state structures in their respective countries - structures sustained and strengthened by the West.

For most Muslim countries attaining political independence from their European colonial masters, four fundamental (and related) problems have confronted their peoples in the search for a new destiny: the problem of economic backwardness, existence of basically unjust domestic socio-

economic structures, over-dependence on the West in almost all spheres of social, economic, political and cultural life, and a crisis of identity. Emanating primarily from imperial impact on their societies and secondarily from a weak response to external pressures on their part, these four problems have grown over time into vicious cycles of despair: poor living conditions have depleted human capital resulting in unrelenting misery for millions of hapless, incoercible socio-economic structures with yawning gaps between the few rich and the many poor have frustrated development efforts; over-dependence on the West while providing higher standards of living to peoples of the North has prevented states in the South from walking on their own legs, in addition to creating mirages of modernisation amidst barren deserts of squalor; and years of domination from the outside have inhibited the emergence of a self-identity of Muslim states.

A persisting colonial legacy, produced and reproduced by Western-created elites in these Muslim countries—elites comprised of men finding more affinity with their erstwhile mentors than with their own people, their ethos or agony—has made available a self-generative mechanism, adding to the complex dilemma of development for these states. New structures

have tended to resemble old ones or, at best, exhibit distorted development: cultural monstrosities growing out of the womb of a colonial hang-over as represented by most lumpen elites in the Third World. Borrowing a development package from the Mother Country or its cultural kith and kin in the West, in which development has been synonymous with Westernisation, these elites have tried to 'catch up' with the West, only to drag their countries further back. Charitably called 'modernisation' by the power brokers in the West, and by its intellectual community, subtle, indirect and more sophisticated forms of foreign control have stepped into old colonial shoes, compounding previously inherited problems for the Third World: social inequality and inequity, political fragility, and cultural distortion. The colonial mentality of Westernised elites in the Muslim World have acted as a bridgehead between the Third World and the West, preventing indigenous outlooks to meet the challenges of the post-colonial era. Rather than looking inwards, Third World countries in general, and Muslim countries in particular, have become externally oriented and served as mere experimental laboratories for Western model-testing. The nature of Muslim militancy needs to be examined in this overall historical context.

[19 Apr 82 p 4]

[Text]

However, it needs to be emphasised here that Muslim militancy has to go a long way before its claim of establishing an egalitarian Islamic order can materialise. Depending upon individual disposition, a number of strategies can be identified which correspond to the ideal. At a theoretical level, one of the ways in which militant Islam can assume a concrete form is through the strategy of self-reliance. In this short paper the bare skeleton of a strategy of self-reliance is presented. After a preliminary discussion of the meaning of self-reliance in general terms, the main elements of the strategy is given, followed by a reference to Pakistan as it fits into the framework of collective self-reliance among Muslim states.

The cardinal principle underlying self-reliance is "regeneration through one's own efforts, leading towards self-generated growth. Accordingly, the basic premise of self-reliance is the negation of dependence on external

sources for meeting vital domestic needs. If this concept is applied to Muslim countries, one will notice that most of these countries rely on the West for supply of critical goods for their sustenance and growth: basic things like food to thinking. Historically, this pattern of dependence goes back to the hey-days of colonialism, but in the post-colonial period as well, such pattern is discernible: most Muslim states enjoy political independence minus sovereignty in crucial areas, either economic or cultural. Then, realisation among Muslim states of the costs of dependent 'development' has been unevenly distributed. While some states have taken concrete steps to minimise dependency, and the damage it necessarily invites for the political economy of the country, others have chosen the road of Western-sponsored growth strategies thereby maximising their dependence upon the West.

At the political level, dependent development has had disas-

trous consequences, including failures in nation-building (with state-building replacing nation-building: more police, more army, little freedom), periodic and chronic governmental crises posing serious threats to the existence of these states, and disintegration.

At the economic level, dependent states have been severely affected by the workings of the international system. Some of the adverse economic effects have been: poor terms of trade, balance-of-payments difficulties, unequal exchange, marginal access to the world market, import of technology minus science, and 'aid', invasion of the local economy by the transnational corporation, creation of a dualistic economy, and growth without welfare.

At the cultural level, dependent development has resulted in colossal damage to the Muslim states. Western ideational frames of reference and behavioural patterns have been imported by these countries without reference to the

peculiar needs or problems of their societies. Local arts and culture have been allowed to trample under the feet of an electronic commodity culture whose identifying feature is a crass materialism.

Self-reliance must take into account the evils of dependent development. Two strategic objectives of self-reliance, therefore, are: 1) Dependency reversal, and 2) Creation of favourable conditions for development. Both these objectives are mutually dependent in the context of the present international system, in the attainment of one objective is inconceivable without the other; most Muslim states are dependent states and, therefore, they cannot develop unless they are able to reverse dependency, and similarly, unless favourable domestic conditions are created, they cannot develop. Self-reliance is a strategy for the attainment of the above objectives.

In the absence of revolution in most of the dependent Muslim states, it is highly unlikely that individually each state can practice self-reliance without inviting the wrath of intervention in its affairs by an international system dominated, in large part, by a hostile West. Therefore, it is both feasible and desirable that Muslim states practice collective self-reliance among themselves. This means that they tackle the problem of dependency collectively to minimize risk to any individual Muslim country. Of course, that too is not going to be easy, but they can increase the chances of success if Muslim states unite on the question of collective self-reliance.

There are several obstacles in the way of collective self-reliance among Muslim states. Three groups

of major obstacles are:

- a) the diversity of socioeconomic structures of Muslim states;
- b) inter-state conflicts between a number of Muslim states; and
- c) intervention by the Superpowers or Western-dominated international economic institutions in the affairs of Muslim states.

Diversity in the character and levels of development of Muslim countries can hamper joint efforts towards self-reliance. The relative complexity of diverse structures can prevent application of general policies and might adversely affect some states at the expense of other states. However, through careful and creative planning this obstacle can be overcome.

The second group of major obstacles is the existence of inter-state conflicts between a number of Muslim states in Asia and Africa. Ethnic differences played up by former colonial powers have assumed enlarged proportions in several of these states, but the major cause of inter-state conflicts remains the respective, if empty, nationalism of ambitious elites in the contending states. Unfortunately, inter-state conflicts between Muslim states are the biggest hurdle towards collective self-reliance.

Interventionism by Superpowers, mainly the United States, has been a typical response of the West to prevent any movement towards self-reliance on the part of the Muslim (and Third World) states. The events surrounding the West's attitude towards assertive Muslim states is well-known. Previously, Western manipulations to break OPEC (Organisation of Petroleum Exporting Countries) and foment dissension within its ranks

is no longer a secret affair. On a number of occasions Muslim states have been arm-twisted into designing policies in line with the aims of the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD or World Bank) or a Superpower. In several cases these designs have succeeded. However, if there is a political will on the part of Muslim states, collective self-reliance can overcome these obstacles.

Broadly speaking, there are two kinds of Muslim states: a) those which possess large financial resources but lack basic infrastructural factors for achieving self-generated growth, (including such factors as manpower, technological know-how and communications); and b) those which do possess basic infrastructural conditions but lack financial resources.

The first group of states includes Saudi Arabia, Kuwait, the U.A.E., Iran, Iraq, and Libya (all OPEC members). The second group (which is the larger of the two groupings in terms of area and population) includes non-OPEC states in Asia and Africa like the Sudan, Pakistan, Egypt, Indonesia, Malaysia, Jordan and Morocco. Non-OPEC Muslim states have an abundance of hitherto untapped natural resources, with large reservoirs of manpower, but they lack financial resources for investment or production. Muslim states of the OPEC have large supplies of surplus revenues but they do not possess the infrastructural factors needed for all-round development. An integration of the stronger points of both sets of countries, with optimum use of their respective human and capital resources can be the basis of collective self-reliance. (To be concluded)

[20 Apr 82 p 4]

[Text]

However, sheer exploitation of resources of the poor countries and their reimbursement through higher cash rewards in the name of 'Islamic co-operation' is not collective self-reliance. Unless an integration of resources without diluting production (and development) in the two sets of countries takes place, serious problems could emerge such as stagnation, labour-shortages in financially weak countries, in addition to drain of human capital to those areas which already demonstrate a high level of concentration of material and human resources. What is happening cur-

rently in terms of a new international division of labour, especially represented by the flight of millions of skilled, semi-skilled and unskilled workers from the non-OPEC to the OPEC Muslim countries is not collective self-reliance. The current process, in which the West is the main beneficiary (either as an exporter of high-powered technology, 'experts' or consumer goods to Muslim countries) is at the expense of long-term development prospects of non-OPEC, and in some ways, the OPEC Muslim countries. Primarily, the tertiary sector is expanding in uneven pro-

portion to the primary sector. Then, whatever benefits higher wages apparently bring to the non-OPEC Muslim countries are squandered on goods manufactured in the industrialised countries, mainly on items of conspicuous consumption without developing the capital goods sector. Moreover, this new international division of labour is hurting the majority of populations in the non-OPEC Muslim countries through unprecedented high levels of inflation.

Collective self-reliance means diversification of resources among countries on the principle of

'optimum use and equity'; mere higher rewards to workers of poor Muslim countries on the basis of existing income inequality between the rich and poor Muslim states is neither collective self-reliance nor Islamic brotherhood. The present trend is bound to increase inequality between and within Muslim states on similar lines the workings of the international capitalist system has done between the rich North and the poor South as well as within various entities that are part of that system.

True collective self-reliance must incorporate three basic elements:

- 1) Policies to minimize reliance on the West (and Japan) for import of technology, 'experts' and commodities;
- 2) Efforts to allow diversification of investment and resource allocation in Muslim countries on an equitable basis; and
- 3) Distribution of incomes among Muslim countries on the principle of justice and equity, taking into account respective needs.

Unless Muslim countries replace the West (and Japan) as their main trading and financial partner with themselves, collaboration per se is insufficient. By continuing to monopolize trade and financial exchange with the Muslim countries, the West is likely to remain the main beneficiary of 'development' generated by surplus oil-revenues. Moreover, if the standard pattern of commodity exchange, where the Third (and Muslim) World exchanges its raw materials and primary resources with processed Western (and Japanese) goods, continues, and Western financial institutions (especially banks) continue to dominate the world economy and banking of Muslim countries, no amount of collaboration among weak Muslim states can yield actual benefits of development. Collective self-reliance among Muslim states and their dependency on a Western-controlled economy are mutually exclusive strategies.

It is wrong to assume that an open door policy of labour migration would automatically translate itself into collective self-reliance. The strategy of collective self-

reliance is fundamentally different from current practices among Muslim states. Critical to the strategy of collective self-reliance is the idea of unity in diversity. Resource allocation ought to be compatible with the creation of development prospects in all Muslim countries, taking into consideration what each individual country has to offer in terms of its natural and human resources over an extended period of time. One of the ways in which such a strategy can be concretised is through investment by rich countries with a view to create jobs in the poor countries. In other words, investment without a joint employment policy is dangerous. The purpose of development should be to make people productive in their own countries, not simply consumers living on external injections of foreign exchange. Self-reliance means self-generated growth. Collective self-reliance means integration of diverse resources to achieve commonly delineated goals without compromising the development possibilities of any individual country. To succeed, collective self-reliance should not be viewed as a stop-gap measure, but a long-term strategy for the development of the Muslim World.

It is imperative that rewards accruing from co-operative measures are distributed in an equitable manner. Collaboration rarely generates rewards equally to all parties as some states might benefit more than others due to previously inherited inequality. A mechanism must be evolved that takes into account historical inequality between states collaborating between one another so that rewards are distributed accordingly. In the absence of such a mechanism, inequalities could exacerbate; without distribution on the basis of 'affirmative action' there can be no genuine development.

Collective self-reliance demands a number of specific steps from individual Muslim states, including the following:

- a) improve terms of trade among themselves;
- b) increase and stabilise earnings on exports of raw materials and primary goods;
- c) provide better access to their markets for processed and manufactured exports;
- d) increase transfers of financial resources from the rich to the poor Muslim countries;

e) exchange appropriate technologies suitable for particular socio-economic conditions; and

f) increase levels of intellectual, educational, scientific and cultural exchanges.

Needless to say, collective self-reliance can only be practiced effectively if there is a political will on the part of Muslim states to do so. At a substantive level, collective self-reliance means that Muslim states do a number of things to reverse dependency, including the following:

1. They must demonstrate solidarity on vital political and economic issues which affect them in the context of the North-South conflict.
2. They must assert their sovereign rights over their natural resources on land and under the sea.
3. By establishing their own producer and commodity associations with guaranteed access to all members, they can try to break the monopoly of the Major Powers in those areas.
4. They need to regulate foreign corporations operating within their respective frontiers in order to prevent far-reaching adverse effects on their economies.
5. They should make efforts to receive a share in the infrastructure of international trade, shipping, insurance and credit.
6. They should maximize reliance on themselves for import of science and technology rather than the West.

These steps are not exhaustive as the path towards self-generated development is full of pitfalls, reverses and set-backs. Nonetheless, these steps constitute a set of pre-conditions for attaining the objectives of a strategy of self-reliance on a collective basis. These steps can be best taken within the framework of the New International Economic Order (NIEO), at the economic level, and the Non Aligned Movement (NAM), at the political level. Once a minimum consensus is established with specified goals and policies, Muslim states can work toward the establishment of an Islamic Economic Community (IEC) and an Islamic Parliament. The latter objective remains a distant cry, given the nature of the present international system, and much ground-work separates that objective from existing realities.

(to be concluded)

[Text]

As the first Muslim state of modern times, a member of both the Organisation of Islamic Countries (OIC) and NAM, Pakistan can not only practice collective self-reliance with its Muslim friends, but it can play a pivotal role in making the strategy of collective self-reliance a success. However, Pakistan has arrived at this stage after years of struggle with itself in the context of her dependence upon the West. A brief discussion of Pakistan's struggle from dependence to non-alignment, on the one hand, and its search for a destiny, on the other, seems in order. Perhaps, this could furnish a better perspective to identify Pakistan's march forward; the historical context is an appropriate framework to analyze current trends as well as speculate about the future.

Like most Third World and many Muslim states, Pakistan did not escape the colonial legacy. On the contrary, the state founded on principles of Islamic justice, equity and democracy became, soon after its political independence, a looking-glass for Western model-builders and model-testers; 'modernisation' theories found a fertile ground for grafting of US-inspired growth strategies on Pakistan's virgin soil. Perceiving development in purely economic terms, GNPism became the post-Independence creed of the starry-eyed Harvard-trained Pakistani planners, whose bureaucratic lineage furnished a ready-made convergence of values and interests with Europe's New World, the United States of America.

Beginning in the 1950s, the American connection matured in the 1960s as economic, political, military, scientific, technological and cultural collaboration between Pakistan and the United States made the Muslim country 'the most allied ally' of the leader of the so-called Free World. Pakistan became 'a pillar of democracy' (as defined by the West), and a model state in an international environment much polluted by the Cold War.

Islam's letter, though continuously quoted and stressed, lacked correspondence with its spirit; it became more of a palliative than a guiding torch in Pakistan's quest for a future. To quote the poet of the East: "Only the convention of azan is left, the (ardent) spirit of Bilal is no more." Consequently,

the costs were, indeed, high, both internally for the country's development or unity, as well externally for Pakistan's standing abroad. Pre-occupation with a Western-inspired development translated itself into chronic troubles: social inequality, regional disparities, ethnic conflict, political instability, and insecurity. The Western-imported development package impelled failure in democratic institutionalisation despite loud pronouncements in the obverse direction, especially in situations necessitating a Praetorian 'order' opposed to popular participation in government, i.e., democracy. Admittedly, 'functional inequality' was permitted to encourage alleged 'trickle-down-effects' in the context of an illusive developmental strategy. Growth did take place, no doubt, but the benefits of such growth were ludicrously distributed, giving birth to concentration of wealth in the hands of few families enjoying State patronage.

Efforts to solve the foremost problem of economic backwardness on a Western-made saddle undermined national integrity at home, while ruining Pakistan's chances for a self-respecting status in the comity of nations. Pakistan's unsolicited marriage with the United States divorced the nation from its potentially natural allies in the Arab and Muslim Worlds; creating unnecessary suspicion against Pakistan which sat in the lap of a generally anti-Arab (especially anti-Palestinian) and anti-Third World Superpower. Organically separated from its source of origin, Pakistan soon became possessed by a national crisis of identity.

Pakistan's national crisis was not, as it was generally believed, whether the Muslim state should have been created as an independent, sovereign state and India partitioned in the first place, but on the contrary the crisis revolved around the perennial question: What would be Pakistan's destiny once its establishment was an accomplished fact? The answer to this question, which lay essentially in a concerted series of efforts to create a just social order free from exploitation, was sub-ordinated to importing of Western models of development in the hope of avoiding a self-reliant strategy which would have surely entailed struggle and sacrifice on the part of Pakistan's ruling elites. Within a span of

a generation Pakistan was to realize, only to its disillusionment, the futility of borrowed dreams. The break-up of the country in 1971 was the culmination of a self-invited doom and in essence, it grew out of an inability on the part of Pakistan's rulers to give the country a direction, a purpose, a destiny. Instead, lip-service to Islam became a standard practice, carrying basically revivalist themes.

The road from dependence upon the West (and Pakistan's alignment with the latter's policies and 'model') to the country's membership in NAM has been long, unlinear and arduous. Pakistan has had to pay a high price for the shift in its basic orientation towards the outside world. This shift, necessitated in part by domestic and regional compulsions, and in part by changes in the international environment, has created a most favourable climate for Pakistan to pursue the goals of individual and collective self-reliance. For the first time in its brief, though tumultuous, history, Pakistan has an opportunity to build new bridges with the Third and Muslim Worlds, and ensure a better tomorrow for its people. Now is the time to evolve a clear course.

Positive non-alignment means that Pakistan distance itself from Superpower conflict, work towards solidarity among Third and Muslim World nations, endorse in letter and spirit the demands for a New International Economic Order, and establish closer relationship with the Islamic bloc with a view to forge collective self-reliance. Above all, steps need to be taken to minimize Pakistan's economic dependency on the West; non-alignment can be a meaningful stance only if a material basis is created for self-reliance domestically.

Geographically, Pakistan lies in one of the world's most strategic zones, serving as a bridge between the Muslim World and non-Muslim Third World countries, on the one hand, and a rendezvous for different Major Powers and civilisations on the other. Positive non-alignment in the service of peace can be one of Pakistan's major strategic goals. However, one of the prerequisites of a genuinely non-aligned posture is that Pakistan practice militant Islam, at least domestically, and does not lend itself to a revivalism much in

vogue these days in the Muslim World. Rather than spending its energies on justifying its existence, Pakistan needs to look ahead, with determination and courage.

PAKISTAN: LOOKING AHEAD

As mentioned earlier, Muslim militancy can assume a concrete form through individual and collective self-reliance. Similarly, Pakistan can best practice self-reliance in the general context of collective self-reliance among Muslim states. This means that Pakistan take all those steps identified in the strategy of collective self-reliance, working in the framework of NAM and the New International Economic Order (NIEO). At a philosophical level, however, the question raised previously, concerning Pakistan's quest for a future, seems to remain unanswered. Pakistan still needs to look inwards and beyond the immediate concerns of survival as a separate entity. Can Pakistan afford to imitate the Western model of development in spirit despite its uncompromising commitment to Islam?

In the short-run Pakistan can be fortunate should it succeed in reversing dependency on the West, but is there no danger that in the process of casting off its dependence on the Occident a new dependency might not emerge in

the distant future? Ultimately, Pakistan will have to walk on indigenous legs. But whatever policies the country pursues today would necessarily determine its future. Therefore, a new meaning of self-reliance has to be explored to commensurate with Pakistan's needs, compulsions, problems, and potential. Apparently, this contradicts all premises of the strategy of self-reliance outlined previously. However, at closer examination one might notice that there is no real contradiction. What is being argued here centres on the temporal dimension: the question of short-term strategy versus long-term goals. In more specific terms Pakistan needs to harmonize its current policies with future goals: identify its long-term goals and relate them to existing realities. Excavation of the past is a poor substitute for creative thinking about the future. Pakistan needs to reconcile its past with current realities, its commitment to Islam with the objective of self-reliance, and its need for self-reliance with the objectives of collective self-reliance. Unless Pakistan can present itself as a mature people capable of independent thinking to the rest of the world, its future will remain uncertain. From dependence to non-alignment towards self-reliance—is no mean journey. Pakistan must accept the challenge of the future

not by resurrecting a past, but by interpreting it creatively; not by clinging to external 'models' but by creating its own. In our scientific age, Pakistan needs to relate its faith with knowledge, not simply live in an enclosed or borrowed world. Pakistan's destiny depends on how it finds its own path, the nature of that path, and the time it takes to do so. With Iqbal, then one can ask and furnish God's reply:

*Are you alive? be vehement,
be creative;*

*Like Us, embrace all horizons
Break whatever is uncongenial.
Out of your heart's heart produce
a new world.*

*It is irksome to the free servant
To live in a world belonging
to others.*

*Whoever possesses not the
power to create
In our sight is naught, but an
infidel, a heathen.*

*Such a one has not taken his
share of Our Beauty;
Has not tasted the fruit of the
Tree of Life.*

*Man of God, be trenchant as a
sword,*

*By yourself, your own world's
destiny*

(Concluded) 11

'NO, THANKS' TO AMERICA'S 'GODFATHER' ROLE

Islamabad THE MUSLIM in English 22 Apr 82 p 4

[Text]

AMBASSADORS of Super-powers in Third World countries are important people and when they speak on-the-record on policy matters, it is always with an air of authority. So it is with the American Ambassador in Pakistan, who having arrived here a few months ago, has delivered his maiden public statement on our two countries bilateral relations. With commendable candour, he has outlined U.S. perceptions, his view of areas of convergence of interests and "vulnerabilities" in our relationship. In this exposition of his country's policy towards Pakistan and the region, the American Ambassador highlighted certain aspects which could be a source of potential friction in ties between Islamabad and Washington. Differences existed in the past too on specific issues (India, Vjetnam War and China, for instance) where our interests were in conflict, rather than being convergent. Another factor which is also being currently ignored is that, by definition, a relationship between a small or medium power and a Super-power is unequal and one-sided. While the Super-power invariably calls the shots, any advantage that a small power can derive is limited and temporary.

A number of points which the Ambassador made require greater elucidation, particularly from the perspective of our national interests. Like other American spokesmen, the U.S. Ambassador has conferred on Pakistan the status of a "front-line" state, whatever that means in real terms. This term is being loosely thrown around without really letting the people of Pakistan understand the implications of such a status. Does it mean we confront the Russians, while the Americans watch the "Great Game" being played from a comfortable back-seat position-thousands of miles away? In that case, we should politely but firmly tell the United States: thanks for your concern, but we are in no position to play such a role. In this respect, the American track record is rather poor. Often a Third World country or group resorts to a course of action on the mistaken assumption that the United States is behind it but in a moment of crunch, the Americans conveniently "play safe". It happened during the Angolan Civil War in 1975. A similar story was repeated in the case of the Iraqi Kurds. Similarly, it was at American encouragement, that Somalia took on Ethiopia, only to make the painful discovery that the Americans were looking the other way.

On the question of Afghanistan, the American Ambassador referred to a "common interest" between the two countries. Again, we would beg to differ. The U.S. views Afghanistan from the perspective of a Super-power which is watching the difficulties being faced by the other Super-power in Kabul with undisguised glee. Furthermore, for the United States, Afghanistan is an important bargaining chip in its future talks with the Soviet Union. As a small, next-door neighbour of the Soviet Union, Pakistan's interests are different. We are faced with a refugee influx, which is an economic burden and a factor for potential social instability. Our interest lies in a negotiated compromise in the soonest possible time, which alone can help ensure peace on our western frontiers. A prolonged Soviet stay in Afghanistan may be a political plus for the U.S. to score propaganda points, but it is definitely a minus for Pakistan which can ill-afford the "politics of confrontation" in the region.

The American Ambassador also mentioned some "vulnerabilities" in Pakistan -- U.S. relations. Among these he listed India, our nuclear programme, narcotics and the absence of democratic institutions in Pakistan. Of the first two, India has always been a major point of conflict between Islamabad and Washington. We have always suspected that Pakistan is America's "second choice" in South Asia. Only when India spurns American advances do U.S. policy-makers turn to Pakistan. Quite rightly, most Pakistanis view India as the greatest strategic threat to their country, not Afghanistan. In this regard, the U.S. Ambassador made it explicit that his country would be a "reliable and supportive friend when it comes to dealing with threats which may emanate from the Soviet invasion of Afghanistan". India has been specifically excluded and this is a significant omission. In the past too when we faced Indian aggression, U.S. guarantees of being a "reliable and supportive friend" turned out to be not worth the paper they were printed on. It is precisely for this reason, that people in Pakistan view political intimacy with the United States with great suspicion, doubt and reservation. We feel such an attitude is well-founded and has a basis in fact.

Lastly, listing the "vulnerabilities", America's man in Islamabad told his Pakistani audience that even "several actions short of a Pakistani atomic explosion, such as reprocessing the spent fuel, could also *seriously disturb*" our bilateral ties. Shorn of diplomatic verbiage, the message from Washington is as clear as daylight: Pakistan will have to practically abandon its nuclear programme or face censure from the United States. We cannot take kindly to such a suggestion, however implicitly it is put forward. The nuclear issue is one on which there exists a national consensus. The Government too, in keeping with the sentiments of the people of Pakistan, has taken a courageous stand on this issue, by not compromising on our national interests. It is precisely these interests that we have always chosen to uphold and these, in our opinion, are divergent with the objectives and interests of U.S. foreign policy in the region. Additionally, we are not convinced that Super-powers have a steadfast commitment to principles or a policy. Pakistan's own example is instructive in this regard. Till the end of 1979, we were cold-shouldered by

the Americans. It was only when President Brezhnev presented a "Christmas Gift" to Pakistan in the form of the Soviet invasion of Afghanistan in December 1979 that we were suddenly rediscovered by the Western Cold Warriors and geo-strategists.

Given this context, our policy-makers need to be on guard and ensure that Pakistan is not taken for granted by the United States, as was the case in the past. Pakistan's interests will best be served if we pursue a policy of unambiguous non-alignment and political equidistance from both Super-powers. If we have to seek "special relationships" these should be with the Muslim countries, not distant Godfathers.

CSO: 4220/596

BRIEFS

NEW SUBDIVISION IN BALUCHISTAN--Quetta, April 26--The Government of Baluchistan has rearranged the limits of existing Kharan district in Kalat division and constituted a new Sub Division, namely Rakhshan with its Headquarters at Basima including the existing limit of Basima Sub-tehsil and Washuk Sub-tehsil. [Text] [Quetta BALUCHISTAN TIMES in English 27 Apr 82 p 4]

CHASE BRANCH STARTS OPERATION--A branch of the Chase Manhattan Bank will start operations in Karachi from today. However, the formal opening of the bank has been scheduled for May 27 when John C. Haly, Director of Corporate and Institutional Relations and Executive Vice-President at Chase head office in New York will visit Pakistan.--PPI [Text] [Karachi BUSINESS RECORDER in English 29 Apr 82 p 1]

SAUDI DECISION WELCOMED--The Human Rights Society of Pakistan has welcomed the decision of the Saudi Arabian Government to set up a committee to review the cases of Pakistani nationals lodged in jails in Saudi Arabia. The decision, it was stated, had been taken at the request of the Society. The Society has now requested the Saudi Arabian Government to nominate one representative from amongst its members on the committee. At a meeting held in Lahore on Tuesday the Society set up a committee headed by Mr S.M. Zafar to examine the Islamic Charter on human rights and to submit its report to the Islamic Conference Secretary-General, Mr Habib Chatti. [Text] [Lahore THE PAKISTAN TIMES in English 28 Apr 82 p 5]

NETHERLANDS TO INCREASE AID--Rawalpindi, April 27--Member Federal Council Fakhruddin M. Habib addressing a Press conference here yesterday, said that way he was received the members of Netherlands Parliament during his visit last month was an honour for the Federal Council, Pakistan Government and the people. He said the members of Parliament who arranged a reception for him agreed over all major issues both internal and external being faced by Pakistan. He said the Dutch Parliament members sympathised with Pakistan over the Afghan refugee problem and appreciated our stand for the political solution of the Afghanistan crisis. He said Netherlands was also increasing the annual aid to Pakistan. Mr Habib, who also visited Britain, said he had the opportunity to meet the representatives of various organisations and groups of Pakistanis in Britain. The Pakistanis there, he said, were appreciative of President Ziaul Haq's policies particularly the enforcement of Islamic system in the country.--APP [Text] [Islamabad THE MUSLIM in English 28 Apr 82 p 3]

AGENCY NOT FUNCTIONING--Lahore, April 27--The Agricultural Storage and Marketing Limited, an agency established in the public sector with a capital outlay of Rs 100 million over a year ago, has not started functioning so far, it is reliably learnt here. The agency was established to deal in perishable commodities and to supply fresh fruit and vegetables to the people. Another objective of its establishment was to reduce the operation of Pakistan Agricultural Storage.--PPI [Text] [Islamabad THE MUSLIM in English 28 Apr 82 p 7]

AMBASSADOR TO HUNGARY--Islamabad, April 29--Pakistan Ambassador to Hungary, Syed Ahmed Pasha, presented his credentials to H.E. Pal Losoncz, President of the Presidential Council of the Hungarian People's Republic at Budapest last week, says a cable received here today.--APP [Text] [Islamabad THE MUSLIM in English 30 Apr 82 p 3]

AMBASSADOR CALLS ON 'AZIZI--The Pakistani ambassador to the Islamic Republic of Iran, Mr Khattak, called on Deputy Foreign Minister Ahmad 'Azizi today and held talks with him. During the meeting the Pakistani ambassador spoke of his country's interest in cooperation between the two countries and said the people and Government of Pakistan consider the success of the Islamic revolution in Iran as a factor strengthening Islam. He said: This revolution will undoubtedly become the means for drawing the Islamic nation throughout the world closer together. The Iranian deputy foreign minister expressed hope that, by removing the obstacles in the way of this effort and by isolating international imperialism, the unity of Muslim countries will gain greater strength. [Text] [GF111750 Tehran International Service in Urdu 1415 GMT 11 May 82]

TWO MORE DIVISIONS IN PUNJAB--Sahiwal, April 29--A proposal is under active consideration of the Punjab Government to create two more fullfledged divisions of Sahiwal and Dera Ghazi Khan from July 1 next Gujranwala and Faisalabad divisions have already been announced. The main purpose is to provide cheaper justice to the common man by curtailing long distances. At present there are five divisions in the Punjab. As a matter of policy every division will comprise three districts. Lahore Division will have Lahore, Sheikhupura and Kasur districts; Rawalpindi Division Rawalpindi, Attock and Jhelum districts; Sargodha Division Sargodha, Mianwali and the newly created Khushab district; Multan Division Multan, Muzaffargarh and the newly set up Leiah district; Bahawalpur Division Bahawalpur, Rahimyar Khan and Bahawalnagar districts; and the newly established Gujranwala Division Gujranwala, Sialkot and Gujrat districts. Faisalabad Division has Faisalabad, Toba Tek Singh and Jhang districts. The proposed Sahiwal Division will consist of Sahiwal, Vehari and the newly created Okara district while D.G. Khan Division will have D.G. Khan, Rajanpur and Bhakkar districts. [Text] [Lahore THE PAKISTAN TIMES in English 30 Apr 82 p 4]

NO NEW LAND REFORMS--Hyderabad, April 27--The Federal Minister of State for Food and Agriculture, Mir Zafarullah Khan Jamali said here yesterday that the present Government has no intention to introduce any land reforms in the country. Addressing the second session of the Sind Abadgar Conference, the Minister said that further fragmentation of present land holding would be uneconomic and would adversely affect the production. He said that the present Government was paying more attention to ameliorating the lot of land-holders and in this connection a proposal was under consideration to enhance the interest-free loan from Rs 6,000 to Rs 10,000 or Rs 12,000 so that the small land-holders could boost their production. Later talking to newsmen he denied a report appearing in a section of the Press that lands resumed under the Land Reforms during the previous regime would be returned to the owners.--APP [Text] [Lahore THE PAKISTAN TIMES in English 28 Apr 82 p 5]

CSO: 4220/597

REDUCTION IN BALANCE OF PAYMENTS DEFICIT URGED

Manila BULLETIN TODAY in English 6 May 82 p 9

[Article by Loreto Cabanes]

[Text]

The Philippines has been advised by the International Monetary Fund (IMF) to take strong measures to reduce her balance-of-payments deficit this year because a shortfall of \$500 million, as forecast by the monetary authorities, "cannot continue to be financed out of reserves as was the case in 1981."

A staff report of the IMF, a copy of which was obtained by the Bulletin yesterday, also expressed doubt in the capacity of the economy to attain the 5.1 per cent target rate of real growth projected by the government this year.

The government projected a 5.1 per cent real growth this year even under its own assumption that international recession will continue during most of 1982 with an upturn toward the end of the

year.

The IMF report argued it was unlikely a 5.1 per cent growth rate could be attained, accepting the government's assumption on recession and taking into account that current difficulties of certain financial institutions and industrial enterprises are resolved only slowly.

The IMF's staff team's projection for real GNP growth target in 1982 was 4.0 per cent.

Earlier in the report, the IMF said that the Philippines was able to generally comply with the various criteria imposed under the 1980-1981 stand-by credit arrangement which expired last December.

However, the staff report disagreed with the 4.9 per cent GNP growth rate reported by the government authorities in 1981.

It said that such an estimate "proved diffi-

cult to reconcile with data on exports, imports, industrial layoffs, and with fiscal and monetary developments."

It came out with its own estimate that real GNP grew by only 2.5 per cent in 1981.

According to government projections cited by the IMF report, inflation rate would average 10 per cent this year, while the current accounts and BOP deficits would be \$2.7 billion and \$500 million, respectively, equivalent to 6.5 per cent and 1.2 per cent, respectively of projected GNP.

The BOP projections of the government were based on a projected growth of exports of 11 per cent and imports of 7.0 per cent.

The export projections assume a 10 per cent growth in the

value of non-traditional manufactures while the import projections assumed an increase in non-oil imports of 15 per cent.

Oil imports were likewise assumed to decline by 10 per cent while interest payments were projected to increase by more than \$400 million at one per cent of GNP, accounting for the projected widening of the current account deficit.

Based on government projections, the deficit would be financed primarily through a "moderate higher" net use of medium and long-term external debt of \$1.4 billion.

The IMF team agreed with the government projections of a 10 per cent inflation rate this year, saying it "seems reasonable."

NO IMPROVEMENT IN DEFICIT FORESEEN

Manila BULLETIN TODAY in English 3 May 82 p 23

[Text]

No improvement is anticipated to take place in the country's current account deficit between 1983 to 1987, the period for the new development plan.

In an interview on the economic survey of the Philippines by the *Euro money* magazine, Prime Minister Cesar Virata estimated that the current account deficit during the next five-year period would be about \$2.5 billion a year, about the same level as the one registered for 1982.

However, he pointed out that the current account shortfall would unlikely get worse.

Virata said that the monetary authorities will keep a close watch on the bottom line figures of the balance of payments, which is likewise expected to be

on the negative side during the same period.

"For as long as we continue to import equipment for development, we can pay for such imports with current production or exports. So when we import equipment there must be a corresponding capital inflow, either in terms of investment or a long-term loan. When output increases, we can repay these loans."

Virata added that any improvement in the terms of trade in the coming year would mitigate the Philippines balance of trade problems.

He said that a moderation in the price of crude oil and a better business climate in 1983 should tilt the terms of trade in the Philippines' favor. Prices of exports should improve by

then, he added.

At the same time, Virata stressed that the Philippines would adhere to its self-imposed debt service ratio of 20 per cent (reckoned from the total foreign exchange receipts for the previous year).

"We would not exceed the ratio," he emphasized in the interview. The debt service ratio in 1982 would be 19.4 per cent.

Precisely to keep debt service within the statutory ratio, the monetary board limited foreign borrowings in 1982 at \$2.4 billion, Virata stated.

He also said that improvement in exports receipts as well as in service income, lowering of interest rates and lengthening of maturities on foreign loans would help in the debt management operations.

SHIPBUILDING PROGRAM DRAFTED

Manila BULLETIN TODAY in English 6 May 82 p 15

[Article by Tenny F. Soriano]

[Text]

A five-point development program to spur the growth of the local shipbuilding industry was outlined recently by Capt. Victorino Basco, maritime industry authority administrator, even as he emphasized the need to rationalize industry programs to meet the threat of an impending cutback on fiscal incentives.

Speaking at the launching rites of the m/s "Kasaganaan" at the Philippine Dockyard corporation's shipyard in Mariveles, Bataan, Basco said that the new development strategy is needed to speed up the orderly and efficient growth of the shipbuilding industry which he said hinges on the ability to protect existing incentives being given by the government which are now in jeopardy because of the government's many requirements for more funds to support its other priority projects.

As envisioned by Basco the new development programs are:

- Stress on quality rather than quantity;
- Induce demand for local shipbuilding;
- Encourage joint ventures with foreign shipyards;
- Development of ancilliary industries; and
- Manpower Development.

Basco, in formulating the program, noted that there has been no significant or meaningful outputs from small shipyards which he said has led him to believe that shipbuilding and ship repair are not suitable for small undercapitalized firms.

Under the program, he said, bigger shipbuilding companies would be given more incentives. At the same time a review of shipbuilding and ship repair rules and regulations will be conducted to adopt a strict but fair criteria for those who would qualify for incentives, he added.

Marina records show that there are at present 139 shipbuilding and ship repair yards in the country with an aggregate capacity of 211,730 gross tons (grt). Of this number, five are actually involved in shipbuilding, and among the five, only Philippine Dockyard corporation is engaged in building heavy

crafts or ships from 3,500-6,000 deadweight tons (dwt), and the rest are only constructing lighter crafts like barges or fishing boats.

To encourage demand for locally-built ships, Basco stressed the need to develop and expand the country's merchant fleet which he said will likely dictate such demand.

"Thus, the shipbuilding development program is closely intertwined with the sectoral requirements of the domestic and overseas shipping," he said.

He told PDC officials and other executives of the maritime industry that the primary thrust of the program is to stimulate local demand for new buildings and at the same time upgrade facilities and technology of domestic shipyards.

However, he lamented that while incentives are granted under PD 688, demand for locally-built ships are still very low because of the absence of adequate incentives to local shipowners.

To remedy this, Basco announced that Marina will tighten its guidelines in the acquisition of ships from abroad and at the same time offset the prohibitive cost of brand-new foreign vessels by offering a combination of incentives and regulations on vessels purchased overseas.

He said this arrangement could come in the form of government-packaged loans under very attractive terms and considerations. Another

alternative would be to use the facilities of the Philippine National Lines Leasing Company (PNLLC) through a lease purchase scheme thus, saving the buyers of problems of loan guarantee and foreign exchange risk, he said.

According to Basco, another means of hastening the growth of the shipbuilding industry is to accelerate development of shipyards under joint ventures or technical tie-ups with reputable foreign shipyards.

Meanwhile, PDC president, Admiral Hilario Ruiz, disclosed that PDC is now negotiating new joint ventures with foreign shipbuilders in addition to its present tie-ups with Japanese yards.

Basco, on the other hand, confided that a week ago a Spanish shipbuilding mission has offered to establish tie-ups with local shipyards.

He also revealed that shipyards in Norway, Japan, Denmark and other countries have expressed their willingness to invest in joint ventures with Filipino businessmen.

He added that a new project calling for the establishment of a naval architecture course at the University of the Philippines is now being undertaken with the help of the Federal government of Germany.

This program, Basco said, will be the thrust of the country's shipbuilding industry for the next five years (MNTCOMA).

CALTEX INVESTS IN GEOTHERMAL ENERGY

Manila BULLETIN TODAY in English 7 May 82 p 20

[Text]

Caltex Philippines is ready to invest P1.5 billion or \$200 million in its initial geothermal power project if production is viable, Francis Ablan, vice president, said.

It has budgeted \$700,000 in a six-month exploration in Pail, Kalinga to look for a minimum of 110 megawatts of heat energy from underground.

Two shallow wells dug up in a 245 square-kilometer "heat spot" has produced "very good symptoms" of heat intensity, he said. A third well was started the other day.

The company is developing steam resources to sell to the government to run its generators which produced electricity. Steam power, an inexhaustible energy resource, is an alternative to the depletable fossil fuel.

Ablan said Caltex plans to develop other geothermal resources in the country, like in Pinatubo, Zambales and in Mindanao "to as far as the government

will allow us."

The board of energy has approved its application to develop geothermal resources last January. Geothermal experts arrived last Feb. 5.

Exploration started at the site where geoscientific tests and surveys were started. A geo-resistivity survey to measure the intensity of heat in the area is going on. Shallow gradient drilling has reached 107 meters in the first well, 126 meters in the second and 10 meters in the third as of Tuesday. Geologic mapping has been finished.

The geothermal site is a geologically young volcano, about 50,000 years old, with very nil chances of erupting.

Caltex has embarked on a 500 million-peso modernization program up to 1985 to improve its production capacity as major supplier of refined fuel.

Caltex will spend about 150 million pesos for the improvement of its Bataan refinery, he said.

NEW INCENTIVES FOR OIL DRILLING

Manila BULLETIN TODAY in English 7 May 82 p 20

[Text]

A seven-point incentives package designed to accelerate oil exploration in the country is now under serious consideration from the government but the hope of exploration companies for a more liberal production sharing scheme has been dashed.

Energy Minister Geronimo Z. Velasco, in a speech delivered in Houston, Texas, made instead a counter-offer to the proposal of oil exploration firms which sought to revert

the 60 to 40 per cent ratio of sharing in favor of the government.

The counter-proposal of the government calls for the grant of "a bonus percentage to companies which accelerate their drilling schedules, fulfilling the three-well obligations during the initial two years."

The government offer, according to ministry sources, is still being worked out and details of the alternative will be known later.

CSO: 4220/599

GOVERNMENT RESTRAINT IN CREDIT USE URGED

Manila BULLETIN TODAY in English 7 May 82 p 20

[Text]

The public sector has been urged by the International Monetary Fund staff team's report released recently to exercise "greater degree of restraint" in the use of banking sector credit.

Lesser reliance by the government sector on banking credit sources was deemed necessary to revive private sector activity in the economy which the government has earlier assumed to be experiencing the adverse effects of international recession for most part of the current year.

It also asked the government to put emphasis on a tightening of fiscal policy.

The IMF report said that in the Philippine situation, restraint on public investment "could be an effective instrument for securing an improvement in the current accounts," because such restraint is likely to be accompanied by a significant

decline in public sector import demand.

It would also directly help contain further increase in the country's external debt.

A reduction in the Central Bank's share of financing the public sector deficit would also be desirable, the report added.

Such a reduction is likely to be accomplished by the monetary authorities' policy to replace borrowing from the CB as a means of financing the deficit by sales of treasury securities to commercial banks and the domestic non-bank sector.

The report cited the targets projected by the government on credit variables. It noted that liquidity would rise by 18 per cent in support of the overall goal of improving the balance of payments position and maintaining the growth performance.

The net domestic

credits are projected to increase by 23 per cent on a per annum basis.

The projected liquidity growth in 1982 is higher than the targeted growth in nominal GNP. Moreover, the projected growth in liquidity and net domestic assets are higher than the actual increases in 1981.

According to the IMF report, the government authorities' projections involved "some redirection" of net credit use from the public sector to the private sector.

It also cited the P10.5 billion deficit in the 1982 budget, which was equivalent to 3.0 per cent of GNP.

This deficit was based on a projected growth in revenue of 14 per cent and expenditure of 8.0 per cent.

Current expenditure is projected to increase by about 15 per cent, while capital expenditure would be slightly below the 1981 level.

ARABIAN GULF POTENTIAL NOT FULLY TAPPED

Manila BULLETIN TODAY in English 7 May 82 p 32

[Text]

The Philippines has not fully tapped the trade and construction potential of the oil-rich nations in the Arabian gulf.

This was the conclusion of an economic mission which returned recently from a survey of the region.

The mission headed by Deputy Trade and Industry Minister Jose P. Leviste was convinced that Filipino construction firms in the region can now move from general construction contracts (roads, bridges, buildings) to high technology projects (power plants, installation of machineries, etc.) having proved their engineering capabilities.

This means a more highly selective choice of contracts that pays greater dividends. Close to 300,000 Filipinos are now working in various projects in Saudi Arabia, Iraq, Kuwait, Bahrain, and the United Arab Emirates.

The mission also

urged Filipino entrepreneurs to enter into joint ventures with Arab businessmen, particularly in the field of small and medium-scale industries. Members of the mission believed that Philippine firms could easily set up, in partnership with Arab nationals, factories for the manufacture of garments, footwear and plastic products.

Members of the mission were given encouragement by officials of various ministries of the countries they have visited and by their respective chambers of commerce.

"We give priority accommodations to nations friendly to the Arabs," they said.

In Saudi Arabia where they stayed longer, the Leviste group conferred with the deputy ministers of commerce, communications, public works and industrial affairs and members of the chambers of commerce of Jeddah, Riyadh and Daharan.

LETTER PERILS MUSLIM, CHRISTIAN UNITY

Manila BULLETIN TODAY in English 5 May 82 p 22

[Article by Nelly Sindayen]

[Text]

An "intrigue" letter — purportedly written by an Ilaga commander and apparently designed to further sow dissension between the country's Christian majority and Muslim minority — has been circulated not just in Mindanao but even in Manila now.

Dated Feb. 22, 1982 and signed by "Commander Marciano, Chapter IX-A," the supposed Ilaga letter claimed to be a followup to "Commander Ferdinand's" letter distributed earlier in mosques and madrasahs in Cotabato city.

Commander Marciano's letter, recently distributed in the Quiapo golden mosque, partly read: "If you think that Ferdinand's letter is only a sabotage you can satisfy your own doubts..."

Like Commander Ferdinand's letter, that of Marciano's

threatened the Philippines' 5 million Muslims with annihilation if they don't give up their religion, Islam.

"And of course you know who's who in Mindanao: history proved that you're no much (sic) for us, your casualty is higher than us because we are stronger than you in arms, men and political connections. The only solution is forget your god. Come to us and we might consider you as brother, we might recognize you as people of the Philippines," the letter said.

"But if you choose to die as martyr as you stupidly claimed then we will grant your request to die like pigs and not as what you thought... I will guarantee that all of you will be eliminated if you kept on resisting. Start thinking wisely today... You're doomed," the letter further said.

APPOINTMENTS IN GOVERNMENT FOR MUSLIMS

Manila BULLETIN TODAY in English 3 May 82 p 5

[Text]

Two bills seeking the appointment of Muslims to high government posts and as board members in all government-owned or controlled corporations have been filed with the Batasang Pambansa.

Both measures were authored by Assemblyman Jamael Dianalan of Lanao del Sur.

The Muslim lawmaker said that Parliamentary Bill 1128 seeks the appointment of three deputy ministers in each ministry, one of whom must be from Mindanao and preferably a Muslim.

The other bill, PB 1791, seeks the appointment of Muslim professionals in corporations such as the Philippine Airlines, Government Service and Insurance System, Social Secur-

ity System, Philippine Veterans Bank, Philippine National Bank, Land Bank, and the Development Bank of the Philippines.

The accommodation of qualified Muslim professionals in these institutions is one way of integrating Muslims into the mainstreams of the country's political, social, and economic life, Dianalan said.

He said that there are qualified Muslims who are willing to work in the government and are waiting for a break.

He said that many young Muslims are now striving hard to gain an education in order that, in the future, they will enjoy a better life beside their Christian brothers. (RCS)

CHEMICAL ATTACKS IN LAOS QUESTIONED

Lahore THE PAKISTAN TIMES in English 28 Apr 82 p 5

[Text]

BANGKOK: Eight U.S. State Department officials charged with spreading the word on Soviet involvement in "chemical warfare" were in Australia and New Zealand some days back at the end of a 10-nation tour.

The 32-page document they are hawkking, Special Report No. 98, "Chemical Warfare in South-East Asia and Afghanistan", offers what U.S. officials like to call "the smoking gun": the murder weapon covered with Soviet fingerprints.

Eyewitness evidence and painstaking scientific analysis of "samples" have led Washington to conclude, the report says, "that Lao and Vietnamese forces, operating under Soviet supervision, have since 1975, employed lethal chemical and toxin weapons in Laos; that Vietnamese forces have since 1978 used lethal chemical and toxic agents in Kampuchea; and that Soviet forces have used a variety of lethal chemical warfare agents, including nerve gases, in Afghanistan since the Soviet invasion of that country in 1979."

But at a Press conference in Bangkok the statistics, the lurid testimonies, and the scientific minutiae fell foul of the obvious question. After working in earnest for three years, Washington offers a "smoking gun"—but where is the corpse?

The answers were lame. There were great difficulties. The main areas of conflict were as many as six weeks walk from the nearest international border. Scentical reporters, American for the most part pointed out that some areas of conflict were as close as 10 miles.

It must be understood, one State Department official explained, that much of the "glue" which held the report together was "sensitive" and must remain classified. Hadn't we heard this one before, asked the American newsmen in Vietnam perhaps?

Much of the evidence on offer, and hopes for irrefutable proof, originate in the sprawling Ban Vinal refugee camp, 300 miles north of here near the Mekong River border of Thailand and Laos. It is home for some 32,000 men, women and children, most of them Hmong hill-tribesmen from Laos who, according to Special Report No. 98, have been the prime victims of Soviet chemical weapons.

Between mid-1975 and the end of last year, it says, 6,764 persons died in 261 separate attacks. (In Cambodia 981 persons are said to have died in 124 attacks. But, even among U.S. officials eager to prove their case, Khmer Rouge credibility is not high).

Witnesses

The supposed "unsophistication" of the Hmong is thought to make them ideal

witnesses. The fact that those in Ban Vinai are remnants of the once "secret army" of CIA-financed, Green Beret-trained, anti-Communist mercenaries led by Hmong Gen. Vang Pao, now resident in Montana is not thought to compromise their credibility.

I spoke at length to two who had creased the Mekong a few days earlier. Vang Chou, a 22-year-old second lieutenant in the Hmong resistance and Vang Vang, a 25-year-old captain. They said they had witnessed three attacks on successive days on a small remote village in Xiang Khouang province. On the first day an MIG-17 and an MI-8 helicopter flew over the village dropping something resembling "red drizzle." Later the same day, Vang Chou said, they repeated the action. The next day the came again, but with "yellow rain" he said.

The "rain" settled on rocks, trees, grass, people, animals. It was, he said, like a "thin layer of milk powder." The animals began to die two days later. Within a week all of them, chickens, pigs, dogs and buffalo, were dead. The people, he added, vomited blood, suffered coughing spasms, fatigue and loss of appetite, dizziness and diarrhoea. Many had died, he said.

Both claimed to have suffered similar responses to the "rain", and displayed a

rash on their skin.

Since he began working in Ban Vinai last December, Derek Bird, a 43-year-old British doctor, has heard many similar tales and they have convinced him. As a doctor I have seen nothing to prove that people have been victims of gas attacks he told me. "There are other possible explanations for all the visible symptoms. But the stories are not rehearsed and they are not queuing up to tell them. I am convinced primarily by the honesty of a simple people."

If one thing undermines the credibility of the charges against Moscow and her allies, it is the dominance of the American involvement in the investigations. It is a contradictory involvement. On the one hand the Hmong leadership now refuse to deal with anyone else. (My own request to meet Col. Vang Neng, the camp leader, was initially rejected because I did not have "permission" from a U.S. diplomat in Bangkok). On the other, only two U.S. officials are "directly responsible" for the investigations, and the only materials provided are silver foil bags which can be hermetically sealed, some cameras and film and a dozen bottles for blood samples.

Given that President Reagan is moving to end a 12-year moratorium on the manufacture of chemical

weapons primarily because of alleged Soviet "violation" of the 1975 and 1972 bans on chemical and biological weapons, the effort seems paltry.

So far the only "independent" attempts to examine the charges have been made by a United Nations team Britain and Canada.

The U.N. team reported itself in December "unable to reach a final conclusion as to whether or not chemical warfare agents had been used." A follow-up report is due in the autumn but U.S. officials say the Soviet bloc delegates will frustrate full blooded investigation.

Britain's "sample," wrapped crudely in a piece of news paper, tied with string and stuffed in to a plastic bag, was collected from Ban Vinai by a diplomat at the end of January. The embassy is still awaiting results of analysis by the British Chemical Research Establishment. Whatever the results there will be questions about the origin of the "sample" and the prevailing natural levels of toxins inside Laos.

Perhaps a scientist with impeccable non-aligned credentials would like to take up Vang Neng's invitation to spend two or three years in side Laos to see for himself.
—P.T. Observer Service.

COMMUNIST OPERATIONS, POTENTIAL IN SOUTH ASSESSED

Bangkok KHAO CHATURAT in Thai 5 Apr 82 pp 28-31

[Article: "When the Communist Party of Thailand Joins the 200th Anniversary Celebration"]

[Text] The Padang Besar market is right on the Malaysian border. The people there need only swing a leg out, and they can proudly say that they are standing in two countries. They can walk away from the market stalls with their faces toward the ground and then urinate facing the neighboring country. Their urine might spray onto Malaysia and dry there, never to return.

Because of the adjoining territories, that border area has become a small but bustling marketplace. Some of the goods that come over from Malaysia, both legally and illegally, come through there, just as goods from Thailand, legal and illegal, pass through on their way to Malaysia. Therefore, a hut built on land in that area will be unusually high-priced, automatically. Buildings or two-storey structures will be leased immediately. People bring cash and put down at least 500,000 baht per unit, even though it takes an investment of no more than 100,000 baht to build one.... If a building is built here with 80 or 100 units at no less than 500,000 baht per unit, that will be 50 or 100 million bhat....

Given this situation, the best thing to do is to burn down the old market and then make connections with bureaucrats and people with power to rebuild it as desired.

"At present they have begun to build about 80 units or so, no less. The leasing is as we said. They will all be rich," people of Padang Besar told me indifferently. "Over here it is not too difficult to make a living, except for the common people. If they want to build buildings and make money, they will burn down the old buildings, causing great loss to all the villagers, and then rebuild them as they wish."

When CHATURAT expressed surprise and asked who had the good fortune to be able to ruin the villagers on such a scale, the answer--you don't have to strain your ears to hear it--was "the communists."

Padang Besar and Sadao in Songkhla Province are full of communists..Chinese communists, Thai communists, fake communists and people who make a living

from the communists and use the name communist to make a living or are communist sympathizers.

"When Cmdr Juan Wannarat was here," a person from Hatyai who is presently making connections to bid on building on the ruins of old units that were burned down explained to CHATURAT, "he believed that if the communists burned, then the communists would build. The wealth would then belong to the communists, increasing their power. He tried to avoid that by letting people who aren't communists do it. When the communists found out that Cmdr Juan was thwarting them, they were unwilling to let the planning and bidding take place. When Cmdr Juan retired and gave up his duties, they came out to bid and signed a contract to build that very day. Now they are getting rich."

The image of the communists in the south, as we know, is impressive to many people. Even the Thai Armed Forces and Government are struck by the feeling that the communists in the forests have a strong and stable base. This is true in part because of the villagers who joined the communists, having escaped death and massacres when "kicked down the mountain." They are rural people who needed a place to make a living and needed protection. They have abandoned their homes and children, wives and relations and friends, to live in the mountains with the communists. They find a living and are able to survive, and sometimes they have an opportunity to come down to avenge and settle accounts with their enemies, and they may have a chance to study politics and military science to some extent. These people will eventually become leaders of the communists in the forests. This makes it appear that the real communists live in the forests.

But in truth, communists in the south, whether true or fake communists, who build up the communist apparatus and are able to send people to be communists in the forests, have always lived in the towns. When we hear about them, our hair stands on end. These people have enough money and influence to do anything in the south. It seems that during the past 10 years, even some people in the 4th Army region have been bought and exploited.

"As is known, buses and tour buses that pass through the south have frequently been held up. They hold up certain buses or those of certain companies that aren't willing to pay the communists living in town for protection when asked to," an expert in transportation hold-up tactics in Hatyai explained, citing examples. "The hold-ups of vehicles happen all over the south. The loot is divided among the powerful and the communist lords. Now it is slowing down somewhat because many of the powerful writers who united with the communist looters were transferred. Those remaining are not powerful, but still it's enough to help make a living."

There are true communists in the south, who come from the Communist Party of Thailand [CPT] and hold Marxist ideals, especially Maoist ideals, as a torch to light their way. The southern communists have close ties to the Malaysian and Chinese Communist Parties. But they have been able to grow because of powerful and influential supporters who dominate many towns. They are influential rogues--owners or controllers of large businesses, gamblers and killers, dealers in contraband, those who cut down trees and destroy the

forests, those who sell contraband minerals and goods, those who run gambling dens and godfathers, who make everyone who hears their names scream "aha!" as their hair stands on end. "Southern communists may not get much from them, when comparing benefits. But the communists also have sponsors they can rely on and a united front they can depend on in many different ways."

Many important and elegant politicians today grew fat amidst the Brahman justice of communist supporters and used the communists as a base for building stability. High-ranking administrators and warriors who have been variously wealthy are continuously in the clutches of people involved with the communists.

"Rich people in Kaosun, because of the mining that they did years ago, are silent. Everyone knows that the real communists are not rich," a native of Nakonsitamarat maintains, "but the really rich people are the communist lords in the towns. I believe that the government knows who is who, but they won't say. I suspect they may be afraid it will come back at them."

Since the real communists and the big communist lords in the south do not live in the forests any more, Suratthai has become the most well-known communist stronghold in the south. Real communists and those who act as communist lords in the united front, and sponsors living in towns not limited to the south--cities like Bangkok, which have businesses in the hundreds of millions, can do anything!

Being a communist lord in Suratthani Province brings enormous compensation, such as control of all the forests in the province and illegal minerals worth billions of baht. They depend on the communists to make things convenient and to cooperate in destroying national property, in taking minerals and illegal lumber in the forests of Khiansa, which are being destroyed month by month every year, as everyone in the nation knows; and no one in Suratthani takes the responsibility. There is no one of either color who doesn't know who is who. They know full well. They raise their heads and salute and smile every day and every night. But the outline of these people's smiles and saluting hands are adorned with silver, which makes them suspicious.

Many years ago, there were lords who sent provisions to the communists from Suratthani to Nakhonsithamarat, who were known as the "triumvirate" or the "three jewels," named "Yongyut, Chaweng and Samphan."

"Commander Han said that now the influential group has joined with the communists to drive him away and to block his peace plan." One person from Surat who has lived here for many generations went with CHATURAT to sip cold beer in the early evening of the day after the communists began the 200th anniversary celebration with the 4th Army at the Surat provincial capital building.... Not surprising to the citizens of Surat and the south in general, he explained slowly, is the fact that the investors are unwilling to come and die with the communists. But the communists do it themselves. It's their strategy. They have to do it, if not one day then another, sooner or later.

The new strategy of the CPT has been set out so that everyone knows it, especially in that area. After the students split and after they tricked the government into raiding and destroying the base in the forests that they were about to abandon, they acted like bees breaking out of the hive in the direction of the plains and urban areas. It is easy for them to operate in the plains and urban areas, having coordinated everything, and they are much better prepared than if they were lying low in the camps or in the forests throughout the south, as in the past.

"Taking the power from the white state, expanding the power of the red state step by step" is how communist experts there refer to the CPT's strategy of moving to the urban areas. "It's not the seizure of Camp 508 or anything. Really. As communists they need a base, but their base is not national or in cities. If any of the communists are concerned about their base and believe they won't lose it to forces that are many thousands stronger, they are crazy. What do you say?"

There are great differences of opinion concerning the raid on Camp 508 and other camps in the 4th Army region among many people in Suratthani and the south. And even among the best sources, people experienced in the tactics and strategies of the CPT, in Bangkok, no one believes that the CPT has lost anything, as they did in the battles with the armed forces in other places. There was no loss or cause for resentment to the point that they would take their revenge against the provincial capital with no cogent tactical plan.

"What we must ponder, in thinking about the seizure of the camp, is how many communists died or were captured? Were they supply units or communist villagers? Armed troops or not? If we couldn't capture many, or if the dead were not in the hundreds or thousands, then we must ask what the conditions in the base were that led to their seizure. Then compare that with the forces that were poured in. Even if not many died, how many millions were spent? Have we ever spoken of these losses? And do we feel that we are losing or gaining when the provincial capital is bombed by only three people, who weren't captured? The Thai government and Armed Forces don't feel very special. No matter how you look at it, this worries us and must be taken seriously."

In the 4th Army region, these actions of the CPT call for strong measures of suppression. But the problem that villagers around Surat in the Phrasaeng-Khiansa region must look into is "where do we suppress them, not that they have no base, though they are still finding vehicles to transport explosives in groups of three or four."

The problem of not knowing where the communists are and what they are doing is a worrisome one. If the government or the 4th Army can solve this problem, the villagers would have confidence that no one will bring explosives in vehicles to the provincial capital or that after causing an explosion they would be captured. If we don't have this confidence, the next problem is who dares to take risks, not knowing whether he himself will one day suffer the fate of the provincial capital.

"Why would the communists do these things only in this one city? It is only a few kilometers from Surat to Padang Besar. They could do it again," the same person said. "If they do it at various railroad stations at Trang, Satun, Phatlong, Hatyai, Songkhla and so on, how should we deploy our forces to check them.... We can fight them or be cautious. I think it will probably be difficult." As this talk is going on...there is an attack on Krapí in Aoluk District.

The civilian authorities dealing with the communist problem believe that the situation that occurred with the communists at the 200th anniversary celebration in Bangkok is only the beginning. It's not going to stop and will probably expand throughout the south. "If we are not willing to go to war against Vietnam outside the country to create disorderly conditions in [their] society, I believe that they will start such a war in this country, and the government will worry and pour in large amounts of money, and the people will lose faith in the government and the ruling class and the present system. I believe the communists have no way of winning except by destroying the confidence of the people through such methods. In addition, there are economic and social failures by which the government is destroying itself."

Fighting the communists by riding an elephant to catch a locust, using government troops against groups of two to three people or fighting propaganda with weapons, will probably continue throughout the south. Many people trying to understand the communist problem believe that the loss of life and economic losses will continue to shadow us.

"The communists will lose politically if they do this because it is equivalent to destroying the people's property," some say.

"Nicaraguan communists did this and succeeded. Now in El Salvador and Guatemala they are becoming strong," the same local communist expert opined. "Communists have told me that in revolution it is impossible to avoid destruction. They have said that their destruction of the people's property over the years is less than that caused by corruption."

All that CHATURAT offers is one more opinion. It looks like the new strategy of the CPT, "two-front war, three strategic areas," has become a reality in the south...a region of special characteristics for both the government and the CPT...the most vulnerable part of Thailand. Order 66/2523 is being challenged. The clash of opinions in the national armed forces concerning the "amending" of order 66 is acute.

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GEN SUTSAI SURVIVES ETO SHAKE-UP

Bangkok BANGKOK POST in English 28 Apr 82 p 3

[Text]

THE Board of Directors of the money-losing state enterprise, the Express Transport Organisation, was reshuffled yesterday after the Cabinet approved a Communications Ministry proposal to have a new board try to salvage the trucking agency.

However, Maj-Gen Sudsai Hasdin, chairman of the ETO board, Deputy Under-secretary of State for Communications Manas Kowanij and Army Transport Department Director Maj-Gen Pingkarn Sucharitkul, remained on the new board.

Prominent ETO unionist Sunthorn Kaewetr, calling Maj-Gen Sudsai "a man with no achievement," said he regretted the change which he claimed was carried out to "save the face" of the former rightist Red Gaur leader.

ETO directors fired in yesterday's shake-up are Thai Tobacco Monopoly Director Vanij Chanuraj, Deputy Under-secretary of State for Agriculture Kangwal Thephasdin na Ayudhya, Capt Suvit Tatayapitakul, Col Nopcharej Buran-

nasiri and Mrs Vanida Sirikul.

Appointed to replace them were Col Arkom Saisa-ard, Dr Tawatch Vichaidit, Mr Surasak Chaweepong, Mr Sa-ard Komolabul and Mr Torpong Wajanasawas.

Mr Green Prachas-raiseradej, the ETO's managing director, was named a director as well as secretary to the new ETO Board.

Government Spokesman Dr Trairong Suwankhiri told a Press conference after the Cabinet meeting that the shake-up was not the result of any wrong-doing by the directors but because a new board needed time to solve the organisation's problems.

Deputy Communications Minister Veera Musikapong told reporters that the ETO was in dire need of a new board to

salvage the financially-troubled truck firm.

LOSS

The ETO is between 120 to 130 million baht in debt and has chalked up a 65 million baht bank overdraft, according to a figure revealed by Chulalongkorn University's State Enterprise Research Centre this February.

The organisation also lost about 10 million baht during the first three months of this fiscal year.

Commenting on the new line-up yesterday, Mr Sunthorn said he was disappointed that certain members of the former board had been reappointed.

He referred to one of the directors as opposing a call by the majority of the ETO workers to in-

vest in buying heavy equipment for the organisation.

He said he also regretted the Government's ignoring of the workers' plea to have a unionist represented on the new board to express their views on ETO policy.

Keeping the workers out would prevent them from staving off alleged corruption among senior ETO officials and destroy attempts to establish better communications between the ETO management and employees.

Commenting on Maj-Gen Sudsai's reappointment to the new board, Mr Sunthorn claimed that most ETO workers wanted Maj-Gen Sudsai out. "It would be a dignified way out if he would just resign," the unionist said.

GLUT OF CASH CROPS SAID TO BE CONCERN FOR GOVERNMENT

Islamabad THE MUSLIM in English 25 Apr 82 p 7

[Text]

BANGKOK, April 24. A glut of valuable cash crops which used to sell well on world markets before economic recession set in is worrying the Thai Government.

Government leaders are committed to promoting the prosperity of the farmers, who form 80 per cent of Thailand's 47 million population, and they realise that failure in their efforts could spell economic and political trouble.

Such export-earning crops as rice, tapioca and sugar have recorded bumper harvests this year but importing countries have not been buying them fast enough or in sufficient quantity to bring in the cash.

Competition this year from other agricultural countries also enjoying record crops has not only been stiff and but also depressed prices of Thai crops, businessmen said.

They said mills and granaries were bursting with 17 million tons of the first crop of rice, which is one million tons more than last year, and they could take no more for lack of cash and storage space.

A further three million tons of second rice crop, compared with 2.5 million tons in 1981, is expected later this month.

Prime Minister Prem Tinsulanonda, acknowledging that farmers would face extreme economic hardship if they cannot dispose of the second crop, appealed to bankers to lend money to millers

and merchants so they could buy the rice.

But with banks strapped with tight money the response was not encouraging.

As a partial solution, the government told farmers to mortgage their new rice with the State Warehouse Organisation for cash payment up to 80 per cent of the crop value.

The government said it also planned to send rice-milling missions to Africa and other new markets to arrange sales on instalment payment or short-term credit terms.

Gen. Prem is at present on a tour of Western Europe aimed mainly at trying to boost agricultural sales, especially of tapioca, Thailand's second major source of foreign currency.

Tapioca exports last year reached a record 6.67 million tons worth 16.87 billion baht (734 million dollars), and were second only to rice, whose exports totalled three million tons and fetched 26 billion baht (1.13 billion dollars).

Official targets set tapioca exports this year at 6.2 million tons, earning 16.12 billion baht (700 million dollars).

But authoritative sources said actual sales would not reach more than 5.8 million tons, mainly because the European Economic Community (EEC) remained adamant that under a two year old agreement it could not take more than five million tons from Thai-

land this year.

Prospects of falling tapioca exports have caused an up roar among dealers holding large stocks. They have denounced the government for entering into an understanding with the EEC to limit Thai tapioca sales.

Gen. Prem, who left on April 22 for a 10-day visit to EEC countries to enlist their economic aid for development projects, has been under intense pressure to make them take at least six million tons of Thai tapioca.

Officials estimate that Thailand this year will have 1.5 million tons of sugar for overseas sale but its export quota is only 1.35 million tons under the international sugar agreement because of a glut in supply.

Government leaders said they would ask for an increase in the quota to unload the surplus but sugar traders doubted they will succeed because any increase in the Thai quota would have to come from allotments to other countries.

Rubber production shot up to 556,000 tons this year from 525,000 tons in 1981 where as official export target for 1982 was set a 490,000 tons compared with 467,000 tons in 1981.

But traders said they expected that at most only 485,000 tons could be exported because of declining demand for natural rubber. AFP/Reuter

BANGCHAK REFINERY FACES TECHNICAL, BUREAUCRATIC PROBLEMS

Bangkok KHAO CHATURAT in Thai 5 Apr 82 pp 6-12

[Article: "A Waste of Effort To Take Over"]

[Text] This past Wednesday, 31 March, the change in the management of the Bangchak oil refinery from the Summit Industrial Corporation (Panama) to the Defense Energy Department will be 1 year old. "We would like to think that today is an important day that will help to demonstrate that we in the refinery have united and cooperated fully and smoothly for 1 full year." Lt Gen Banphot Phanitsuphaphon, special adviser to the Bangchak oil refinery, took the opportunity for publicity in CHATURAT before actually disclosing that the ceremony will not consist of much more than quiet merit-making and feeding priests in the office, concluding with a report on the past year's accomplishments under their management.

These accomplishments, which will be printed up neatly, describe a success "that proceeded smoothly."

CHATURAT does not deny the accomplishments, but because of our awareness of the duty of the news media to report both sides of events, on the one hand CHATURAT is happy to present a special interview with adviser Lt Gen Banphot Phanitsuphaphon, who Lt Gen Chityut Kraisonphong, director of the Defense Energy Department, personally respects as an "older brother" and for his ability to represent him in all matters, and on the other hand will present the opposite side, which it has compiled from news sources most of whom are involved in the Bangchak oil refinery in some capacity. These individuals are glad to give information but are not willing to reveal their names.

The revelations of these "secret" news sources can be summarized as follows:

1. Technical problems of the refinery. Although the Defense Energy Department says "there is no problem," the news sources maintain that this is not entirely true.
2. The problem of administration and coordination between the Defense Energy Department, in charge of the refining, and the Petroleum Agency of Thailand, which handles the purchase of crude oil as well as the marketing

of the finished products of the refinery and looks after the finances. This is an important issue that news sources all agree is "the messiest."

3. Labor problems. In the eyes of outsiders and the new administration "they are over now," but the news sources see it otherwise.

Technical Problems

At present the Bangchak oil refinery has three refining units. The first was built by the Defense Energy Department itself. It was begun in 1960 and was completed and began operating in 1964. It was anticipated that it would be able to refine at least 5,000 barrels per day, but actual output was not as anticipated. Approximately 3,000 barrels a day was the actual amount the Defense Energy Department was able to produce. Therefore, the following year, they had to contract out to Summit Corporation, headed by C. J. Huang, to operate the plant under an obligation to refine 5,000 barrels per day; and it appears that Summit was able to do this. Later, under the Summit Corporation's continued management, the expansion of production in a second and third unit followed, according to specifications of the U.S. Amstar Corporation. The first and second [sic; presumably the second and third] refining units would be able to refine 15,000 and 45,000 barrels a day, respectively. A Japanese firm won the bid for construction.

One source in the Bangchak refinery gave his opinion of the design: "It is true that we let the American company handle it, but in fact would Summit in its capacity as manager of the oil refinery accept a design it was not satisfied with?" The point he is trying to make is that the Summit Corporation was trying to control the technical aspects of the refinery so as to maintain the bargaining power to manage the plant for as long as possible. "I would like to say that up to the present there are very few who are familiar with the machinery in the refinery and understand its workings fully. Summit itself has not been willing to train Thais in the Defense Energy Department. This refers to the higher levels, not general officials who understand their own work as well as expected," the same source concluded.

The opinion of this source appears to carry some weight in view of the fact that theoretically all three units together should be able to refine 65,000 barrels of oil per day, which caused the minister of industry, Maj Gen Chatchai Chunahawan, to fly over and negotiate the purchase of about that volume of "Arabian light" crude oil from Saudi Arabia to feed the Bangchak refinery. But the figures for the actual production capacity of the refinery were revealed to be only 53,000 barrels per day. Lt Gen Banphot called the shortage "bottlenecking" and said that these problems must be corrected using plans he called "debottlenecking" to increase production capacity so that at least another 15,000 barrels of crude oil can be taken in [presumably daily]. "I wouldn't call it bottlenecking. I would call it 'poisoning' by the Summit Corporation," one refinery technician put it.

Then there were problems concerning the crude oil used in refining. During the time that Summit Corporation was managing, crude oil was brought in from

various sources and was not restricted to one particular source. "There was both what is called heavy crude oil and light crude," the source revealed. The oil was ordered from different sources partly because Summit wanted to buy the cheapest oil to reduce costs and partly so that different types could be produced from refining, depending on market demand, because crude oil from each source turns out different after refining. For example, Cheng-li oil from China after refining becomes mostly cooking gas and asphalt and Arabian light crude oil becomes mostly gasoline and a little asphalt.

A former employee of the Summit Corporation told us each type of oil that was ordered was sent to a computer to determine what kind of products it would make after refining and how much. Then they looked at returns, that is, they measure how much of each product was currently in demand on the market. These data were sent to the computer to determine what crude oil was to be used to produce those products with the lowest production costs.

However, this type of procedure on the part of Summit was criticized by the Defense Energy Department as causing the various refining units to deteriorate quickly because they frequently took in poor oil to refine. So far no one has been able to confirm that this is true. As of now, the Bangchak oil refinery uses only one type of oil, Arabian light from Saudi Arabia, which some people criticize as giving more of a product called light naphtha than necessary, so that we have trouble finding a place to store it. The Defense Energy Department claimed that it is the responsibility of the Petroleum Agency of Thailand to find a way to dispose of what is produced.

Problems of Coordination

On the one hand, the general public is glad to see the Bangchak oil refinery back in the hands of the Defense Energy Department rather than in the hands of a foreign company. On the other hand, many people cannot help worrying that although originally the administration of the refinery was handled by a business with experience and skill, it is now to be managed by a government agency like the Defense Energy Department and a newly established state enterprise unit like the Petroleum Agency of Thailand. They ask whether these organizations will be able to run things as well.

One source said about this: "If you are speaking about human ability, you are not likely to find much difference. What we don't know we can always learn. But if you are speaking of administrative systems, that's another matter." He said the administrative policy of the Bangchak refinery, making the Defense Energy Department the "only child" in charge of refining and the Petroleum Agency of Thailand in charge of supplying the crude oil, transportation and marketing, has caused the following problems:

Finances. The Petroleum Agency of Thailand provides around 6 billion baht in loans to the Bangchak refinery, with the refinery paying 16 to 19 percent interest. Therefore, its financial status depends on the Petroleum Agency of Thailand. Written requests must be made for expenditures. This causes delays in providing materials for repairing damaged equipment, because they must go through the levels of the bureaucracy of the Defense Energy Department

and then the Petroleum Agency of Thailand. Sometimes the delays cause quite a bit of damage.

The transportation of crude oil from storage in Siracha to the refinery. The Petroleum Agency of Thailand handles this. There are two points of interest, according to the source. First, he thinks that it is unfair that the refinery must be responsible for loss during transportation. Second, he doesn't understand why Summit Corporation spent 10 satangs per barrel for transportation whereas the Petroleum Agency of Thailand claims that it spends 30 satangs per barrel.

Next, the products. Because the Petroleum Agency of Thailand looks after marketing, through an arm of the Fuel Organization, they try to stipulate what products the refinery is to produce, despite the fact that the oil that the Petroleum Agency of Thailand provides for the refinery has specific properties that determine what products will be obtained when it is refined and how much. "If they want certain products, they should know which type of crude oil they should give us to refine," a source in the Bangchak refinery told CHATURAT.

Next, it was revealed that the level of ability of the Petroleum Agency of Thailand in marketing petroleum products is not inadequate because, it is said, the new organ must control an old organ like the Fuel Organization and this results in surplus stock.

Furthermore, there is much criticism among the old employees of the refinery that in the bureaucracy those with higher rank are superiors of those of lower rank, but in practice those of higher rank usually don't understand refining any better than the lower ranking "old boys."

Finally, it was revealed that after 31 March the Bangchak oil refinery is going to change its name officially to Military Oil Refinery, which seems like a warning signal that the Petroleum Agency of Thailand is not sure it will be able to bring in the Bangchak refinery to become its own working unit within the next 5 years according to plan.

The return of the oil refinery to the Defense Energy Department has indirectly caused the disappearance of labor unions. The yearly event in which the workers rise up and call for a raise in pay, benefits and guarantees of good working conditions is disappearing completely, which may lead to the simple conclusion that "there are no problems." One former member of the labor union for oil and petroleum products told CHATURAT his view: "It's a conclusion that doesn't fit the facts."

He told us that the refinery is now composed of three types of officials: bureaucrats from the Defense Energy Department, permanent employees of the Ministry of Defense and temporary employees. What he thinks may spark a row that ignites the whole refinery is the temporary employees. "They feel that their position is not secure. Therefore, they are not willing to work at full capacity, because if they do, it is like revealing their knowledge and ability to others, like the bureaucrats, who come in to learn from them.

They fear that when these bureaucrats are able to do the work, they will be let off."

In addition, another source revealed that quiet moves are now under way to get better guarantees for temporary employees. About this he said, "They don't want to move alone, because that would make it easy to get rid of them. As far as we know, they are trying to convince the permanent employees and bureaucrats to join with them. Their method is to begin with issues that will benefit them all."

"We know that at present the refinery itself has many complicated problems, both administrative and technical. We workers would like these problems to be solved in such a way that the taking over of the refinery will bring the greatest advantages to the nation, both in the long run and the short run. But if the takeover causes us hardship, I think it will have been a waste of effort," that source concluded.

[Interview with Lt Gen Banphot Phanitsuphaphon, special adviser, Bangchak oil refinery]

[CHATURAT] During the year since the Defense Energy Department seized control of the refinery from Summit Corporation, what has been done and have there been problems?

[Lt Gen Banphot] Don't call it "seizing." Rather, when there were problems we came in to operate the plant because we wanted to bring it up to standard, to ensure that it would last as long as possible. The initial stage has been one of making improvements to bring things up to standard. Some of the repairs and maintenance work is not yet complete. Many officials have cooperated with us to our satisfaction. Therefore, everything seems to be advancing well, but we still need time to make things better.

[Question] Were there many repairs and how much money have they cost?

[Answer] There was quite a lot to repair. I myself don't want to blame anyone, but the refinery was fairly old and hadn't been maintained as well as it should have been. Therefore, when we came in we had to make many repairs. How much money? I can't remember the exact amount, but everything needed repairs. Big repairs, such as yearly maintenance, cost a lot of money--in the millions. And sometimes we had to replace things like catalysts, costing 10 million.

[Question] It has been said that during the time Summit was in charge there were refining units that didn't operate. How is it today?

[Answer] At that time the refinery was composed of three refining units. The first unit was small, approximately 5,000 barrels per day. It is the oldest unit. It doesn't produce much. Therefore, they tried not using it, because it wasn't worth the expense. However, if there is a need, it must be used. For example, if we take in Cheng-li oil to refine. However, if there is in fact no need, we won't use this refining unit because the returns are not as worthwhile as for units 2 and 3.

[Question] Is the first refining unit closed down as of now?

[Answer] It hasn't been closed. We are still using it. For example, when we have slop [as published] to be refined we must use the first refining unit to help out, because we don't want to introduce it to unit 2 or 3, fearing that it will have an effect on some of the units--that is, each unit has still smaller units such as sulphur wash units.

[Question] Some people criticize the fact that the construction plans for refining units 2 and 3 were set by the Summit Corporation. We Thais should have gone in to see if there would be any technical problems.

[Answer] Summit itself did not come up with the plans. The people who handled the plans were an American company called Lamas Corporation. Construction was done by two Japanese companies, Chinoda and Toyo. Summit did neither the plans nor the construction. They only acted as overseer.

[Question] Would you say that the Defense Energy Department itself has personnel knowledgeable enough to carry on efficiently?

[Answer] I don't want to say it is that way because I would be accused of boasting. Just look at our results for the past year. Our officials have always been able to handle things, which shows that we will be able to continue running things as Summit did.

[Question] It is known that the plant is only in charge of refining. Matters concerning crude oil or arranging sales are handled by the Petroleum Agency of Thailand...

[Answer] That's right. The oil business is divided into several sections or steps. Even among foreign companies, there are those that handle everything themselves and those that do not handle everything as one company. For example, they have another of their companies handle the first step, procuring the crude oil. In the second step they may have an affiliate transport crude oil from the source to the refinery. The third step, the refining, Summit had Summit Industrial in charge. For the step of marketing, they had Summit Oil--like that. But because we are the military and the refinery is a military one, if we had to get mixed up in marketing and procurement we would be open to a lot of criticism. Therefore, we try to focus on one objective, security. So we only like to be involved in matters of refining. There are a lot of details involved.... When we refine we must have crude oil brought in, and once we have refined it we must have someone else sell it. Therefore, we cooperate with the Petroleum Agency of Thailand, which is under the supervision of the Ministry of Industry, and divide the duties between us so that the Ministry of Industry procures the crude oil and gets it to the refinery, we are in charge of refining it and the finished product is sent to the Petroleum Agency of Thailand for marketing. This way it is not said that the military is getting mixed up in business. We are only involved in the refining, which is important in terms of security.

[Question] Is this cooperation going smoothly or are there problems?

[Answer] It is a common thing. Our unit is a government agency. The Petroleum Agency of Thailand is a state enterprise. There will always be small problems, which I think are unimportant. With the sincerity and cooperation between us, problems of disagreements should be easy to solve and shouldn't be obstacles to our work.

[Question] What possibility is there that in the future all units will unite in one body, in charge of every step from the procurement of crude oil to refining to marketing?

[Answer] I think that is a matter for the policy level. That is, some oil companies combine all steps and some combine just the procurement of crude oil and refining or just the refining and the marketing. How to combine or divide up depends on the advantages and conditions in certain areas. For example, you have to consider taxes. Someone must deal with those matters. In our case, the Petroleum Agency of Thailand has broad responsibilities. As for whether their role in operations will increase to the point you are speaking of, I can't answer that.

[Question] This kind of problem has frequently occurred recently: The Petroleum Agency of Thailand handles marketing, so they stipulate how much of which product the refinery is to make. But the crude oil that they procure for the refinery is not always able to produce the products they want.

[Answer] I don't think that is a major problem. That type of misunderstanding may sometimes occur, but the two sides are trying to accommodate each other and to solve our problems. If I were to say there were no problems at all, that wouldn't be correct, but if I said there were a great many major problems that couldn't be solved, that would also be untrue. (laughs) That is, I would say that the Petroleum Agency of Thailand's wanting this or that product is to meet market demands. On the technical side, therefore, we try to act according to what the Petroleum Agency of Thailand wants. But sometimes there are technical restrictions, like now one of our components is having some trouble and needs repairs, so certain procedures had to be changed. But in general we try to follow the desires of the Petroleum Agency of Thailand.

[Question] How true is the story about the overproduction of cooking gas and light naphtha, exceeding demand, so that there are problems finding a place to store them.

[Answer] I have said that there is a clear division of labor. We handle refining. We refine as much crude oil as we take in. What the products are and how they are distributed is the responsibility of the Petroleum Agency of Thailand. If they can sell a lot, we need many storage tanks. We can refine according to their needs. Sometimes there are problems when the gasoline or benzene can't be sold in proportion to what is produced because of changes in the market. Then we have to change our refining accordingly.

[Question] At present does all the crude oil refined in our refinery come from Saudi Arabia or are there other sources?

[Answer] It all comes from Saudi Arabia. When we took over the refinery it was all from the once source, except for small amounts from other sources. The Petroleum Agency has made the change.

[Question] There is no more oil from China...

[Answer] Cheng-li? Before we took the refinery back, Summit refined Cheng-li oil. But afterwards we were not really interested in refining Cheng-li oil because it was blended to make cooking gas. But I don't know whether Cheng-li oil will be refined again in the future. It depends on whether it is procured for us.

[Question] Is it true that the Bangchak refinery was designed to refine heavy crude oil, but the fact that the oil that is being brought in from Saudi Arabia is light crude is causing quite a few problems?

[Answer] Actually, our refinery was designed to refine Saudi Arabian oil. But in the previous practice, Summit sometimes ordered crude oil from other places, sometimes at cheap prices and mixed it.... But the design was intended for crude oil from Saudi Arabia.

[Question] You mean there are no technical problems with the refining?

[Answer] At present there are no problems.

[Question] Are there plans to expand the refinery and its production capacity?

[Answer] There certainly are, and we have already carried out some. We are designated in our purchase contract with Saudi Arabia to refine 65,000 barrels per day, I mean per calendar day. First of all, we must refine 65,000 barrels per day. Second, our nation's demand for oil continues to grow. Whether or not we will be able to expand to meet the nation's demand is a matter of major national significance. Since our refinery is the only one in the nation, we try to carry out the best policy we can. Therefore, we ought to expand our refinery's capacity or increase our capacity so that we are able to refine at least 65,000 barrels of crude oil per day. We have come up with a plan and submitted it to the authorities. We call this plan "debottlenecking" or what I call in Thai "enlarging constrictions." We've looked into how we should go about expanding and studied the points of constriction that our refining units have. If we have to increase the amount of crude oil we taken in to refine, we come across points of constriction here and there. We therefore think of how we can enlarge these points of constriction. Our study has found that we can enlarge constrictions easily through what foreigners call "limited debottlenecking," not enlarging all of the points of constriction. We will enlarge the fewest points we can. It is expected that if the plan is budgeted we will be able to carry it out within 1 year and we have measured the cost at not more than 90 million baht. This will enable us to increase refining efficiency to produce another 15,000 barrels per day. The planning and implementation will use all our own officials.

[Question] At this time of setting plans to expand the refinery, have you also considered the natural gas and crude oil found here?

[Answer] We only follow up and try to adjust our plans to be consistent with the main plan. As you say, we must anticipate long-term and short-term demands for petroleum products; then we must try to adjust our plans to fit that. For example, in the future there will be natural gas. Therefore, the demand for cooking gas will be less. But up to now no one has been willing to say how much less. It will certainly be less, but people aren't going to stop using cooking gas completely. In the past some people said we wouldn't need cooking gas any more, but later we found that we do, because--precise figures are still being discussed--we have a major plan to convert cooking gas or heavy oil to the lightest oil, like diesel. This is the second plan. We still have to wait for a decision at higher levels.

[Question] At present cooking gas is the principal product of the refinery?

[Answer] Not really. Cooking gas is now about 43 percent of our total output.

[Question] Is it true that the reason you say cooking gas will not lose its importance even if use of natural gas increases is that the unit price is very similar?

[Answer] In the future when we have natural gas we will have to try to promote its use. I do not believe that the price of natural gas will be very expensive, but we must first use natural gas for important things. The rest can be burned. Therefore, there will still be a demand for cooking gas, but for how much I don't really know yet.

[Question] It shouldn't be an obstacle to increasing the refining capacity of the refinery?

[Answer] With the expansion that is now going on there is no problem, because we are only increasing output by 15,000 barrels a day. Therefore, we will only be producing another 6,000 barrels per day of cooking gas. The increase is small compared with the amount of cooking gas we still have to bring in from abroad. It certainly won't be an obstacle at all.

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